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CH 5
DoD 4000.25-2-M

DLMSO

CHANGE NO. 5
IN REPLY DoD 4000.25-2-M
REFER TO

DEC 15, 2000

MILITARY STANDARD TRANSACTION REPORTING AND ACCOUNTING PROCEDURES

I. This change to DoD 4000.25-2-M, Military Standard Transaction Reporting and Accounting Procedures (MILSTRAP), is published by direction of the Deputy Under Secretary of Defense (Logistics) under the authority of DoDD 4140.1, Materiel Management Policy. Unless otherwise noted, revised text is in ***bold italicized*** print.

II. This change includes revisions:

A. Implemented by MILSTRAP Interim Change 98-1, January 7, 1998, subject: Revised Asset Reporting in Support of Total Asset Visibility (TAV). This change, which revises Document Identifier Code DZF, Asset Status Reporting (Base, Post, Camp, and Station Level Use), was directed by ADUSD(L)MDM in support of joint total asset visibility (JTAV) requirements. Specifically this change supports the extension of the lateral redistribution program to Inter-Service lateral redistribution of reparable items. In this regard, the change accommodates the relationship between Primary Inventory Control Activities (PICAs) and Secondary Inventory Control Activities (SICAs) which is unique to reparable items.

B. Implemented by DLMSO memorandum, August 9, 1996, subject: Third Addendum to Approved MILSTRAP Change 8A, Revised Procedures for Physical Inventory Control as amended by the November 19, 1998 and April 12-13, 1999, Joint Physical Inventory Working Group (JPIWG) Meetings. Chapter 7 is replaced in its entirety and so is not identified by bold, italicized text. Includes revisions to DD Form 2338, Inventory Control Effectiveness Report. Also includes administrative revisions in terminology to chapter 4 which were not reflected in AMCL 8A but are needed to reflect the intent of AMCL 8A and DoD 4140.1-R policy placing materiel accountability for wholesale assets with the custodial activity.

C. Implemented by DLMSO memorandum, May 29, 1998, subject: Approved DLMS Change 10, Expanded Definition for Management Code R for Use With Denials.

D. Implemented by DLMSO letter, September 28, 1990, subject: Joint Approved MILS Change Letters (AMCLs) 11 (MILSTRAP) and 15 (MILSTRIP), Expanded Materiel Receipt Acknowledgment Procedures as amended by Addendum 1 (July 8, 1996, DLMSO memorandum), Addendum 2 (December 9, 1996 DLMSO Memorandum), and Addendum 3 (January 9, 1998 DLMSO memorandum). ADUSD(L)MDM directed implementation of Joint AMCLs 11 and 15 by their January 7, 1997 memorandum, subject: Implementation of Approved Military Standard System Change Letters (AMCLs).

E. Implemented by DLMSO memorandum, August 9, 2000, Approved DLMS Change (ADC) 34, Materiel Receipt Acknowledgment (MRA) Management Information Report.

F. Implementing ADUSD (L) MDM memorandum, April 8, 1998, subject: Inventory Record Accuracy Standards. Publishes the General Supplies Record Accuracy Goals developed at the February 4-5, 1998 JPIWG meetings as amended at the November 19, 1998 and April 12-13, 1999 JPIWG meetings.

G. Publishing an administrative change to chapter 7, Figure 7-1, Minimum Research Requirements for Potential or Actual Physical Inventory Adjustments, to include Controlled Inventory Item Code (CIIC) 7 in the footnoted guidance reflecting use of sample causative research in lieu of complete causative research. This clarification supports OASD L/SD memorandum, February 1, 1992, subject: Controls For Munitions List Items (MLI), which provides the policy guidance for causative research requirements for adjustments of CIIC 7 materiel.

H. Published by DoD 4140.26-M to revise Disposal Condition Codes. Disposal Condition Codes are included in MILSTRAP Appendix B6 as part of the Federal Condition Code.

I. Publishing administrative changes to chapter 1.

J. Publishing administrative changes to remove reference to DD Form 1486 (DoD Materiel receipt Document) and DD Form 1487 (DoD Materiel Adjustment document). These forms were canceled as obsolete in 1998 as a result of a forms survey. MILSTRAP Administrator electronic coordination with Supply Process Review Committee representatives in October-November 2000, confirmed that these forms were no longer necessary in the context of MILSTRAP.

IV. Remove old pages listed below and insert revised pages:

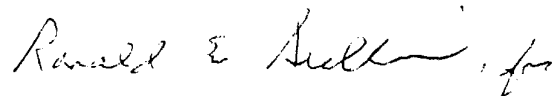
<u>Remove Old</u>	<u>Insert New</u>
iii thru xxxi	iii thru xxxiv
1-1 thru 1-14	1-1 thru 1-15
4-1 thru 4-21	4-1 thru 4-16
6-1	6-1 thru 6-8
7-1 thru 7-29	7-1 thru 7-32
A-i	A-i
A-1 thru A-3	A-1 thru A-2
A3-1	-----
A4-1	-----
A5-1	A5-1 and A5-2
-----	A6-1 thru A6-2
B-1 and B-2	B-i and B-ii
B1-1 thru B1-19	B1-1 thru B1-17
B3-1 and B3-2	B3-1 thru B3-2
B6-7 and B6-8	B6-7
B7-1 thru B7-11	B7-1 thru B7-10
B8-1 and B8-2	B8-1 and B8-2
B9-1 and B9-2	B9-1 and B9-2
B18-1 thru B18-5	B18-1 thru B18-4
-----	B20-1
-----	B31-1
C-i thru C-v	C-i thru C-iv
C2-1 and C2-2	C2-1 and C2-2
C4-1 thru C4-3	C4-1 thru C4-3
C16-1 thru C16-3	C16-1 thru C16-2
C17 and C19	C26A-1 thru C26A-4
-----	C26B-1 thru C26B-2
C57-1 thru C57-3	C57-1 thru C57-4
C59-1 and C59-2	C59-1 and C59-2

Remove Old
C60-1 and C60-2
C61-1 and C61-2

Insert New
C60-1 and C60-2
C61-1 and C61-2
C62-1 and C62-2
C63-1
C64-1
C65-1
D-i
D1-1 and D1-2

v. File this change sheet in front of the publication after making changes, for reference purposes.

BY ORDER OF THE DIRECTOR



Marshall H. Bailey, Ph. D.
Director
DLA Support Services

TABLE OF CONTENTS

	<u>PAGE</u>
FOREWORD.....	i
TABLE OF CONTENTS.....	iii
FIGURES.....	xv
ACRONYMS AND ABBREVIATIONS.....	xvii
REFERENCES.....	xxiii
DEFINITIONS AND TERMS.....	xxvii
 CHAPTER 1. GENERAL INFORMATION	
A. Authority.....	1-1
B. Purpose.....	1-1
C. Applicability.....	1-1
D. Exclusions.....	1-2
E. Policy.....	1-3
F. Responsibilities.....	1-4
G. Distribution of the Manual.....	1-8
H. System Maintenance.....	1-8
I. MILSTRAP Focal Points/Supply PRC Representatives.....	1-11
J. Communications.....	1-13
 CHAPTER 2. MILSTRAP FEATURES	
A. General.....	2-1
B. Relationship of MILSTRAP to MILSTRIP.....	2-1
C. Principles and Objectives of the System.....	2-1
D. Inventory Segmentation Codes.....	2-2
E. Inventory Transaction Coding.....	2-4

PAGE

**CHAPTER 3. ISSUE, BACKORDER, DEMAND, LOAN, AND SMCA FREEZE/
UNFREEZE TRANSACTIONS**

A.	General.....	3-1
B.	Issue Transactions.....	3-1
C.	Issue of Materiel for Assembly, Disassembly, Conversion, Modification Repair, and Test.....	3-1
D.	Backorder Transactions.....	3-2
E.	Demand Transactions.....	3-2
F.	Loan Transactions.....	3-2
G.	SMCA Freeze/Unfreeze Actions.....	3-3

CHAPTER 4. RECEIPT AND DUE-IN TRANSACTIONS

A.	General.....	4-1
B.	Due-In Transactions.....	4-1
C.	Pre-Positioning Documents for Receipts.....	4-1
D.	Materiel Receipts (Procurement Instrument Source).....	4-2
E.	Materiel Receipts (Other Than Procurement Instrument Source).....	4-3
F.	Time Standards for Processing Receipts.....	4-3
G.	Control of Receipts.....	4-4
H.	Submitting Reports of Discrepant/Deficient Receipts.....	4-5
I.	Processing Discrepant/Deficient Receipts.....	4-5
J.	Followup on Receipts.....	4-14
K.	Reply to Materiel Receipt Followups.....	4-14
L.	Due-In and Receipts from Assembly, Disassembly, Conversion, Modification, Repair, and Test.....	4-14
M.	Reclaimed Items.....	4-15
N.	Loan Transactions.....	4-15

PAGE

CHAPTER 5. ADJUSTMENT TRANSACTION

A.	General.....	5-1
B.	Changes in Condition of Materiel.....	5-2
C.	Ownership Gains and Losses.....	5-6
D.	Purpose Transfers.....	5-7
E.	Inventory Gains and Losses.....	5-7
F.	Condition Changes for Items Under Repair.....	5-7
G.	Reidentification of Stock, Stock Number Changes, and Unit of Issue Changes.....	5-8
H.	Condition Changes for Items Being Reported/Turned in to Reutilization and Marketing Activities.....	5-9

CHAPTER 6. MATERIEL RECEIPT ACKNOWLEDGMENT

A.	<i>Purpose.....</i>	6-1
B.	<i>Applicability.....</i>	6-1
C.	<i>Exclusions.....</i>	6-2
D.	<i>Communications.....</i>	6-2
E.	<i>Policy.....</i>	6-3
F.	<i>Preparing and Sending The Materiel Receipt Acknowledgment ..</i>	6-5
G.	<i>Followups for Delinquent Materiel Receipt Acknowledgment.....</i>	6-6
H.	<i>Correcting or Cancelling A Materiel Receipt Acknowledgment ...</i>	6-7
I.	<i>Quality Control.....</i>	6-7
J.	<i>Management Evaluation.....</i>	6-7

CHAPTER 7. PHYSICAL INVENTORY CONTROL

A.	General.....	7-1
B.	Policy	7-2
C.	Physical Inventory Procedures.....	7-8
D.	Research of Potential or Actual Physical Inventory Adjustments.....	7-12
E.	Reversal of Inventory Adjustments.....	7-15
F.	Location Audit Program.....	7-16
G.	Retention of Accountable Documentation.....	7-21
H.	Quality Control.....	7-21
I.	Inventory Control Effectiveness Reporting.....	7-23

CHAPTER 8. ASSET STATUS REPORTING

A.	General.....	8-1
B.	Assets Within the Distribution System.....	8-1
C.	Assets Below the Distribution System.....	8-1

CHAPTER 9. REJECTION AND ROUTING OF TRANSACTIONS

A.	Rejection of Transactions.....	9-1
B.	Routing of Transactions.....	9-1

CHAPTER 10. CORRECTION/CHANGE OF STORAGE ITEM RECORDS

A.	General.....	10-1
B.	Item Correction/Change Notification.....	10-1
C.	Storage Activity Action.....	10-1
D.	Logistics Reassignments (LR).....	10-1

PAGE

CHAPTER 11. LOGISTICS REASSIGNMENTS

A.	General.....	11-1
B.	Policy.....	11-1
C.	Requirements.....	11-1
D.	Pre-ETD Actions.....	11-2
E.	ETD Period Actions.....	11-4
F.	Post ETD Actions.....	11-5
G.	Receipt Processing After ETD.....	11-7
H.	Followup for Asset Data.....	11-8
I.	Reply to Followup for Asset Data.....	11-8
J.	Followup for Due-In Data.....	11-9
K.	Reply to Followup for Due-In Data.....	11-9
L.	Service/Agency Due-In Reconciliation.....	11-9

CHAPTER 12. SMALL ARMS SERIAL NUMBER REGISTRATION AND REPORTING

A.	Scope.....	12-1
B.	General Requirements.....	12-1
C.	Objectives.....	12-3
D.	Exclusions.....	12-3
E.	Delineation of Responsibilities.....	12-4
F.	Safeguarding and Physical Security of ADP Recorded Data.....	12-6
G.	Operating Procedures.....	12-7
H.	Time Standards for Processing Updates and Followups for Shipments and Receipts.....	12-11

CHAPTER 13. SPECIAL PROGRAM REQUIREMENT TRANSACTIONS

A.	General.....	13-1
B.	SPR Submission and Routing	13-2
C.	ICP Processing of SPR Requests	13-2
D.	Followup on SPR Requests.....	13-3
E.	ICP Action on SPR Followup.....	13-3
F.	Modification of SPR Requests.....	13-3
G.	Response to SPR Modifier.....	13-3
H.	Cancellation of SPR Requests.....	13-3
I.	Response to SPR Cancellation.....	13-4
J.	Acceptance/Rejection of Substitute Item.....	13-4
K.	Response to Substitute Item Rejection.....	13-4
L.	Retention of SPR Requests.....	13-4
M.	Follow-On Status.....	13-5
N.	Preparation of SPR Requisitions.....	13-5
O.	Logistics Reassignments.....	13-5

CHAPTER 14. LOGISTICS ASSET SUPPORT ESTIMATE

A.	General.....	14-1
B.	Scope.....	14-1
C.	Asset Support Requests.....	14-1
D.	Asset Support Replies.....	14-2
E.	Followup on Asset Support Requests.....	14-3
F.	IMM Action on Asset Support Request Followup.....	14-3
G.	Transaction Rejects and Status Notifications.....	14-4
H.	Activities Authorized to Submit Asset Support Requests.....	14-5

CHAPTER 15. WAR MATERIEL REQUIREMENTS AND SIMULATED MOBILIZATION EXERCISES

A.	Purpose.....	15-1
B.	War Materiel Requirements.....	15-1
C.	Simulated Mobilization Exercises.....	15-2

APPENDIX A FORMS

	Index.....	A-i
	Introduction.....	A-1
A1	DD Form 1348m, "DoD Single Line Item Requisition System Document (Mechanical)"	A1-1
A2	Reserved	
A3	Reserved DD Form 1486, "DoD Materiel Receipt Document". Canceled.	
A4	Reserved DD Form 1487, "DoD Materiel Adjustment Document" Canceled.	
A5	DD Form 2338-1, "Inventory Control Effectiveness Report (Ammunition)"	A5-1
A6	DD Form 2338-2, "Inventory Control Effectiveness Report (General Supplies)"	A6-1

APPENDIX B CODES

	Index.....	B-i
B1	Document Identifier Codes.....	B1-1
B2	Reserved.....	
B3	Type of Physical Inventory/Transaction History Codes.....	B3-1
B4	Ownership Codes.....	B4-1
B5	Purpose Codes.....	B5-1
B6	Federal Condition Codes.....	B6-1

		PAGE
B7	Management Codes.....	B7-1
B8	Correction Change Codes for Storage Item Records.....	B8-1
B9	Reject Advice Codes.....	B9-1
B10	Asset Status/Transaction Reporting Codes.....	B10-1
B11	Asset Transfer Status Codes.....	B11-1
B12	Special Program Requirement Status Codes.....	B12-1
B13	Small Arms Transaction Codes.....	B13-1
B14	Small Arms Error Transaction Reject Codes.....	B14-1
B15	Reserved	
B16	Request Codes (Asset Support Requests).....	B16-1
B17	Type of Media Codes.....	B17-1
B18	Error Classification Codes.....	B18-1
B19	Other Codes.....	B19-1
B20	Discrepancy Indicator Codes.....	B20-1
B21	Reserved (for Date Packed/Expiration Date Codes).....	B21-1
B22	Reserved	
B23	Reserved	
B24	Reserved	
B25	Type Inspection Codes.....	B25-1
B26	Review Period Indicator Codes.....	B26-1
B30	Type Due-In Indicator.....	B30-1
B31	Type Location Reconciliation Request.....	B31-1

APPENDIX C FORMATS

	Index.....	C-i
	Introduction.....	C-1
C1	Materiel Receipt - Procurement Instrument Source.....	C1-1
C2	Materiel Receipt - Other Than Procurement Instrument Source.....	C2-1

		<i>PAGE</i>
C3	Issue.....	C3-1
C4	Inventory Adjustment - Increase or Decrease.....	C4-1
C5	Inventory Adjustment - Increase or Decrease (Logistics Transfer/ Capitalization/Decapitalization).....	C5-1
C6	Inventory Adjustment - Increase or Decrease (Ownership Transfer)	C6-1
C7	Single Managed Conventional Ammunition Freeze/Unfreeze Action	C7-1
C8	Reserved	
C9	Inventory Adjustment - Dual (Condition/Purpose Transfer).....	C9-1
C10	Inventory Adjustment - Dual (Ownership Transfer).....	C10-1
C11	Due-In - Procurement Instrument Source.....	C11-1
C12	Logistics Transfer/Decapitalization.....	C12-1
C13	Due-In - Other Than Procurement Instrument Source.....	C13-1
C14	Backorder.....	C14-1
C15	Demand.....	C15-1
C16	Physical Inventory Request.....	C16-1
C17	Reserved	
C18	Reserved	
C19	Reserved	
C20	Logistics Transfer/Decapitalization Followup.....	C20-1
C21	Reply to Logistics Transfer/Decapitalization Followup.....	C21-1
C22	Logistics Reassignment Delinquent Due-In Followup.....	C22-1
C23	Logistics Reassignment Delinquent Due-In Response.....	C23-1
C24	Logistics Reassignment Due-In Reconciliation Request.....	C24-1
C25	Logistics Reassignment Due-In Reconciliation Response.....	C25-1
C25A	Logistics Reassignment General Management Data.....	C25A-1
C25B	Logistics Reassignment Backorder and Demand Data.....	C25B-1
C25C	Logistics Reassignment On-Hand Asset Data.....	C25C-1
C25D	Logistics Reassignment Due-In Asset Data.....	C25D-1

	PAGE
C25E Logistics Reassignment Contract History Data.....	C25E-1
C25F Logistics Reassignment Technical and Quality Data.....	C25F-1
C26 War Materiel Requirements Data.....	C26-1
C26A Materiel Receipt Acknowledgment	C26A-1
C26B Followup for Delinquent Materiel Receipt Acknowledgment	C26B-1
C27 Small Arms Multi-Field Corrections.....	C27-1
C28 Small Arms Mass Stock Number Change.....	C28-1
C29 Small Arms Correction.....	C29-1
C30 Small Arms Receipt/Shipment Followup.....	C30-1
C31 Small Arms Reconciliation/Reject Followup.....	C31-1
C32 Weapon Serial Number Control.....	C32-1
C33 Small Arms Reconciliation/Reject.....	C33-1
C34 Asset Support Request	C34-1
C35 Asset Support Reply (Asset Data).....	C35-1
C36 Asset Support Reply (Backorder Data)	C36-1
C37 Asset Support Request Followup.....	C37-1
C38 Pre-Positioned Materiel Receipt (Procurement Instrument Source)...	C38-1
C39 Pre-Positioned Materiel Receipt (Other Than Procurement Instrument Source).....	C39-1
C40 Materiel Receipt Followup (Procurement Instrument Source).....	C40-1
C41 Materiel Receipt Followup (Other Than Procurement Instrument Source)	C41-1
C42 Reply to Materiel Receipt Followup (Procurement Instrument Source)	C42-1
C43 Reply to Materiel Receipt Followup (Other Than Procurement Instrument Source).....	C43-1
C44 Special Program Requirement Request.....	C44-1
C45 Special Program Requirement Cancellation.....	C45-1
C46 Special Program Requirement Modifier.....	C46-1
C47 Special Program Requirement Substitute Item Acceptance	C47-1

		PAGE
C48	Special Program Requirement Substitute Item Rejection.....	C48-1
C49	Special Program Requirement Followup.....	C49-1
C50	Special Program Requirement Status.....	C50-1
C51	Status Notification Transaction.....	C51-1
C52	Asset Status.....	C52-1
C53	Storage Item Data Correction/Change.....	C53-1
C54	Logistical Reassignment Storage Information.....	C54-1
C55	Logistical Reassignment Storage Information Reply.....	C55-1
C56	Asset Status/Transaction Reporting Request.....	C56-1
C57	Asset Status Reporting (Base, Post, Camp and Station Level Use)...	C57-1
C58	Transaction Reject.....	C58-1
C59	Location Reconciliation Request.....	C59-1
C60	Transaction History Request.....	C60-1
C61	Transaction History Transmittal.....	C61-1
C62	Inventory Prioritization Information.....	C62-1
C63	Location Reconciliation Notification.....	C63-1
C64	Location reconciliation History Notification.....	C64-1
C65	End of Day Accountable Transaction Count.....	C65-1

APPENDIX D TIME LIMITS

	Index.....	D-i
D1	Materiel Receipt Acknowledgment Time Limits.....	D1-1

FIGURES

<u>FIGURE</u>	<u>TITLE</u>	<u>PAGE</u>
7-1	Decision Rules, Minimum Research Requirements for Potential or Actual Physical Inventory Adjustments	7-32

ACRONYMS AND ABBREVIATIONS

<u>Acronym or Abbreviation</u>	<u>Definition</u>
AAC	Acquisition Advice Code
ADP	Automated Data Processing
AMCL	Approved MILSTRAP Change Letter
ANSI ASC	<i>American National Standards Institute Accredited Standards Committee</i>
AO	<i>Accountable Office</i>
APO	<i>Deleted. See AO.</i>
AUTODIN	Automatic Digital Network
CAGE	Commercial and Government Entity
CAO	Contract Administration Office
CCP	<i>Consolidation and Containerization Point</i>
CIC	Content Indicator Code
CLIN	Contract Line Item Number
CLSSA	Cooperative Logistics Supply Support Arrangement
CMD	Cataloging Management Data
COMSEC	Communications Security
CONUS	Continental United States
CPP	Central Processing Points
CWT	<i>Customer Wait Time</i>
DAASC	Defense Automatic Addressing System Center
DAMES	<i>DAASC Automated Message Exchange System</i>
DCMC	Defense Contract Management Command
DCS	Defense Communications System
DA Form 3020R	Magazine Data Card
DD Form 1149	Requisition and Invoice/Shipping Document
DD Form 1348	DoD Single Line Item Requisition System Document (Manual)

CH 5
DoD 4000.25-2-M

**Acronym or
Abbreviation**

Definition

DD Form 1348-1A	Issue Release/Receipt Document
DD Form 1348m	DoD Single Line Item Requisition System Document (Mechanical)
DD Form 1574	Serviceable Tag - Materiel
<i>DDN</i>	<i>Defense Data Network</i>
DI	Document Identifier
DIDS	See DLIS
<i>DIELOG</i>	<i>DAASC Integrated E-mail Logistics</i>
<i>DISN</i>	<i>Defense Information Systems Network</i>
DLA	Defense Logistics Agency
DLAR	Defense Logistics Agency Regulation
DLIS	Defense Logistics Information System
DLMS	Defense Logistics Management System
DLMSO	Defense Logistics Management Standards Office
DLSC	Defense Logistics Services Center
DLSS	Defense Logistics Standard System(s)
DMIL	Demilitarization
DNA	Defense Nuclear Agency
DoD	Department of Defense
DoDAAC	Department of Defense Activity Address Code
DoDD	Department of Defense Directive
DoDI	Department of Defense Instruction
DoDSASP	Department of Defense Small Arms Serialization Program
DPDO	Defense Property Disposal Office
DRMO	Defense Reutilization and Marketing Office
<i>DRMS</i>	<i>Defense Reutilization and Marketing Service</i>
DSC	Defense Supply Center
DUNS	Data Universal Numbering System
DUSD(L)	Deputy Under Secretary of Defense (Logistics)
<i>DVD</i>	<i>Direct Vendor Delivery</i>

<u>Acronym or Abbreviation</u>	<u>Definition</u>
EDI	Electronic Data Interchange
ETD	Effective Transfer Date
FAR	Federal Acquisition Regulation
<i>FIPS</i>	<i>Federal Information Processing Standards</i>
FMS	Foreign Military Sales
FSC	Federal Supply Classification
GFM	Government Furnished Materiel
GIM	Gaining Inventory Manager
GSA	General Services Administration
ICE	Inventory Control Effectiveness
ICP	Inventory Control Point
ILCO	International Logistics Control Office
ILP	International Logistics Program
IM	Inventory Manager
IMM	Integrated Materiel Manager
IPE	Industrial Plant Equipment
JANAP	Joint Army, Navy, and Air Force Procedure
JCS	Joint Chiefs of Staff
JSACG	Joint Small Arms Coordinating Group
LASE	Logistics Asset Support Estimate
LCN	Local Control Number
LIM	Losing Inventory Manager
LR	Logistics Reassignment
M&S	Media and Status
MAP	Military Assistance Program

**Acronym or
Abbreviation**

Definition

MCA	Management Control Activity
MCN	Management Control Number
MILSBILLS	Military Standard Billing System
MILSTEP	Military Supply and Transportation Evaluation Procedures
MILSTRAP	Military Standard Transaction Reporting and Accounting Procedures
MILSTRIP	Military Standard Requisitioning and Issue Procedures
<i>MRA</i>	<i>Materiel Receipt Acknowledgment</i>
<i>MRC</i>	<i>Materiel Release Confirmation</i>
MRO	Materiel Release Order
NO.	Number
NIIN	National Item Identification Number
<i>NIPRNET</i>	<i>Non-Secure Internet Protocol Router Network</i>
OEM	Original Equipment Manufacturer
OWMR	Other War Materiel Requirement
OWRMR	Other War Reserve Materiel Requirement
OWRMRP	Other War Reserve Materiel Requirement, Protectable
P/N	Part Number
PD	Priority Designator
<i>PICA</i>	<i>Primary Inventory Control Activity</i>
PICD	Physical Inventory Cutoff Dates
PIICD	Physical Inventory Infloat Control Dates
PIIN	Procurement Instrument Identification Number
PMCL	Proposed MILSTRAP Change Letter
PMR	Pre-positioned Materiel Receipt
PO	Purchasing Office
<i>PQDR</i>	<i>Product Quality Deficiency Report</i>
PRC	Process Review Committee

<u>Acronym or Abbreviation</u>	<u>Definition</u>
PWRMR	Pre-positioned War Reserve Materiel Requirement
PWRMRP	Pre-positioned War Reserve Materiel Requirement Protectable
RCS	Report Control Symbol
RDD	Required Delivery Date
RDO	Redistribution Order
RFID	Request for Implementation Date
RI	Routing Identifier
ROD	<i>Report of Discrepancy (see Supply Discrepancy Report)</i>
SA	Storage Activity
SCA	Stock Control Activity
SDAF	<i>Special Defense Acquisition Fund</i>
SDD	Standard Delivery Date
SDR	<i>Supply Discrepancy Report</i>
SICA	<i>Secondary Inventory Control Activity</i>
SF 364	Standard Form, <i>Supply Discrepancy Report (SDR)</i>
SIGINT	Signal Intelligence
SM	Single Manager
SMCA	Single Manager for Conventional Ammunition
SMR	Source, Maintenance, and Recoverability
SN	Serial Number
SOS	Source of Supply
SPR	Special Program Requirement
SUPADD	Supplementary Address
TDR	<i>Transportation Discrepancy Report</i>
UI	Unit of Issue
UIC	Unit Identification Code

**Acronym or
Abbreviation**

Definition

UMMIPS	Uniform Materiel Movement and Issue Priority System
U.S.	United States
WMR	War Materiel Requirement
WSN	Weapon Serial Number

REFERENCES

- (a) DoD Directive 4140.1, "Materiel Management Policy," January 4, 1993.
- (b) Joint Publication 1, "DoD Dictionary of Military and Associated Terms," June 1, 1987.
- (c) DoD 4140.27-M, "Shelf-Life Item Management Manual," **September 26, 1997**, authorized by DoD Directive 4140.1.
- (d) DoD Directive 5160.65, "Single Manager for Conventional Ammunition," **March 8, 1995**.
- (e) DoD 5025.1-M, "DoD Directives System Procedures," August 31, 1994, authorized by DoD Directive 5025.1
- (f) JANAP 128 (I), "Automatic Digital Network (AUTODIN) Operating Procedures," March 1, 1983.
- (g) DoD 4000.25-10-M, "Defense Automatic Addressing System," April 5, 1985, authorized by DoD Directive 4140.1.
- (h) DoD 4000.25-1-M, "Military Standard Requisitioning and Issue Procedures (MILSTRIP)," May 1, 1987, authorized by DoD Directive 4140.1.
- (i) "Federal Acquisition Regulation," 1990 Edition.
- (j) Military Standard 129, "Military Standard Marking for Shipment and Storage," latest revision.
- (k) ***DLAI 4140.55/SECNAVINST 4355.18A/AFJMAN 23-215, "Reporting of Supply Discrepancies," January 21, 1999.*** (AR 735-11-2, December 6, 1991.)
- (l) AR 55-38/NAVSUPINST 4610.33C/AFR 75-18/MCO P4610.19D/DLAR 4500.15, "Reporting of Transportation Discrepancies in Shipments," August 31, 1992, as amended.
- (m) DLAR 4155.24/AR 702-7/SECNAVINST 4855.5A/AFR 74-6, "Product Quality Deficiency Report Program," July 20, 1993.
- (n) ~~***DLAR 4140.60/AR 12-12/SECNAVINST 4355.17A/AFR 67-7, "Processing Discrepancy Reports Against Foreign Military Sales Shipments," December 17, 1991. Canceled. Incorporated in DLAI 4140.55 et. al. (reference (k).)***~~
- (o) DLAR 4155.3/AR 30-12/NAVSUPINST 4355.2D/AFR 74-5/MCO 10110.21F, "Inspection of Subsistence Supplies and Services," November 3, 1986.
- (q) DoD 4000.25-3-M, "Military Supply and Transportation Evaluation Procedures (MILSTEP)," September 10, 1987, authorized by DoD Directive 4140.1.
- (r) DoD 4140.25-M, "Management of Bulk Petroleum Products, Storage, and Distribution Facilities," **July 1, 1998**, volume V - MILSPETS, authorized by DoD Directive 4140.25.

CH 5
DoD 4000.25-2-M

- (s) Joint Publication 6, "Joint Reporting Structure," (Volume II Joint Reports, Part 4, Nuclear Weapons Reports, Section 5, Stockpile Inventories and Inventory Reports).
- (t) ***DoD 5200.8-R "Physical Security Program," May 1991.***
- (u) Military Standard 105, "Sampling Procedures and Tables for Inspection by Attributes," latest revision.
- (v) DoD 4140.1-R, "DoD Materiel Management Regulation," ***May 1998.***
- (w) DLAM 4140.2/AR 735-110/NAVSUPINST 4400.79/MCO P4400.101, "Supply Operations Manual, Distribution System Procedures," Volume I, April 15, 1965.
- (x) DoD Directive 5010.38, "Internal Management Control Program," ***August 26, 1996.***
- (y) ***Canceled. DoD 7420.13-R, "Stock Fund Operations," June 1986, authorized by DoD Directive 7420.13.***
- (z) ***Canceled. DoD 7220.9-M, "Department of Defense Accounting Manual," February 1988, authorized by DoD Instruction 7220.9.***
- (aa) DoD Directive 3110.6, War Reserve Materiel Policy, April 25, 1994.
- (bb) DoD 4000.25-M, Defense Logistics Management System (DLMS) Standards and Procedures, February 14, 1996.
- (cc) ***Canceled. DoD 7200.10-M, "Department of Defense Accounting and Reporting of Government Property Lost, Damaged or Destroyed," March 23, 1991, authorized by DoD Instruction 7200.10.***
- (dd) DoD 5100.76-M, "Physical Security of Sensitive Conventional Arms, Ammunition, and Explosives," September 16, 1992, authorized by DoD Directive 5100.76.
- (ee) ***DoD 7000.14-R, "DoD Financial Management Regulation," May 1993, as amended.***
- (ff) DoD 4160.21-M, "***Defense Materiel Disposition Manual***," August 18, 1997, authorized by DoD Directive 4140.1.
- (gg) DoD 5200.1-R, "Information Security Program Regulation," June 1987, authorized by DoD Directive 5200.1.
- (hh) Reserved.
- (ii) Reserved.
- (jj) Reserved.
- (kk) "DoD Federal Acquisition Regulation Supplement," 1991 Edition.
- (ll) DoD 4100.39-M, "Federal Logistics Information System (FLIS) Procedures Manual," October 1, 1994, as amended, authorized by DoD Directive 4140.1.
- (mm) DoD 4000.25-6-M, "DoD Activity Address Directory (DoDAAD)," June 28, 1996, authorized by DoD Directive 4140.1.

- (nn) DoD 4100.38-M, "Department of Defense Provisioning and Other Preprocurement Screening Manual," November 1, 1983, authorized by DoD Directive 4140.1.
- (oo) DoD 4000.25-7-M, "Military Standard Billing System (MILSBILLS)," January 30, 1985, authorized by DoD Directive 4140.1.
- (pp) DoD 4140.26-M, "Defense Integrated Materiel Management Manual for Consumable Items," January 15, 1992, authorized by DoD Directive 4140.1.
- (qq) AMC-R 700-99/NAVSUPINST 4790.7/AFLCR 400-21/MCO P4410.22C, "Logistics Wholesale Inventory Management and Logistics Support of Multiservice Used Nonconsumable Items," April 27, 1990.
- (rr) DoD 4500.32-R, "Military Standard Transportation and Movement Procedures (MILSTAMP)," volume 1, March 15, 1987, authorized by DoD Directive 4140.1.
- (ss) DoD Federal Acquisition Regulation Supplement, Supplement No. 6, "DoD Spare Parts Breakout Program," November 25, 1988.
- (tt) **~~Canceled. DLAI 4105.4, "DoD Directory of Contract Administration Services Components," August 24, 1994.~~**
- (uu) Cataloging Handbook H4/H8, "Commercial and Government Entity (CAGE)."
- (vv) DoD 4000.25-5-M, "Military Standard Contract Administration Procedures (MILSCAP)," **February 17, 1999**, authorized by DoD Directive 4140.1.
- (ww) **~~Canceled. AR 700-82/OPNAVINST 4410.2/AFR 66-45/MCO 4400.120/DSAR 4100.6, "Joint Regulation Governing the Use and Application of Uniform Source Maintenance and Recoverability Codes," June 22, 1971.~~**
- (xx) DLAR 3200.1/AR 715-13/NAVSUPINST 4120.30/AFR 400-40/MCO 4000.18C, "Engineering Support For Items Supplied by Defense Logistics Agency and General Services Administration," March 13, 1986.
- (yy) MIL-I-45208A, Amendment 1, "Military Specification Inspection System Requirements," July 24, 1981.
- (zz) MIL-Q-9858A, Amendment 2, "Military Specification Quality Program Requirements," March 8, 1985.

DEFINITIONS AND TERMS

ACTIVE FILE (Small Arms Registry). A list of weapon serial numbers for which the Component Registry's Military Department or Agency maintains accountability.

ADJUSTMENTS, PHYSICAL INVENTORY. The accounting transaction which corrects a book balance to agree with the quantity of the item in storage. Such adjustments may result from (1) physical inventory, (2) a potential discrepancy revealed by a materiel release denial or location survey/reconciliation, and (3) erroneous capitalization/ decapitalization actions. Excluded are adjustment transactions caused by (1) reidentification of stock, (2) type of pack changes, (3) standard price changes, (4) catalog data changes, (5) supply condition and purpose code changes, and (6) condemnation of materiel resulting from rebuild and surveillance programs. Adjustment transactions directly attributed to computer malfunctions, program errors, and correction of computer system time lags will not be categorized as adjustments due to physical inventory. All such adjustment transactions identified during research will be assigned the appropriate error classification code, and the rate of occurrence will be monitored by supply system managers.

AUTOMATIC DIGITAL NETWORK. AUTODIN will be interpreted to include all electronic transmissions, including teletypewriters, since these circuits are connected to the AUTODIN system.

CLASSIFIED ITEMS. (See Controlled Inventory Items.)

COMPONENT REGISTRY. Military Department or Agency which maintains visibility of all small arms serial numbers within that Component and provides the DoD Registry with small arms status.

CONTRACT ADMINISTRATION OFFICE. The office which performs assigned functions related to the administration of contracts and assigns preaward functions.

CONTROLLED INVENTORY ITEMS. Those items designated as having characteristics which require that they be identified, accounted for, secured, segregated, or handled in a special manner to ensure their safeguard or integrity. Controlled inventory items in descending order of degree of control normally exercised are:

- a. **Classified Items.** Materiel which requires protection in the interest of national security.
- b. **Sensitive Items.** Materiel which requires a high degree of protection and control due to statutory requirements or regulations, such as narcotics and drug abuse items; precious metals; items which are of a high value, highly technical, or hazardous nature; and small arms, ammunition, explosives, and demolition materiel (see chapter 7, figure 7-2).
- c. **Pilferable Items.** Materiel having a ready resale value or application to personal possession and which is, therefore, especially subject to theft.

CUSTODIAL ACCOUNTABILITY. The responsibility of the SMCA to maintain data elements in the wholesale inventory record to reflect by ownership code the receipt, issue, balance, and other quantitative and financial data essential for proper control and management of assets which are in the single manager's custody but are owned by another DoD Component. Custodial accountability includes the responsibility to initiate and approve adjustment actions and reports of survey.

GUSTODIAL RECORD. Deleted

CUSTODIAL RESPONSIBILITY. The responsibility of a storage activity, depot, or agent, which is not the designated single manager, to maintain proper custody, care, safekeeping, receipt, issue, and balance data for stored DoD wholesale materiel.

DATA PATTERN MESSAGE. A machine readable document/transaction in a fixed length, 80 character card image/format suitable for mechanical processing upon receipt. Examples (forms) are displayed in the A appendices of this manual.

DISCREPANCY WITH MANDATORY RESEARCH REQUIREMENT. Potential or actual physical inventory adjustment which exceeds established dollar value limits or which is applicable to a controlled inventory item (see chapter 7, figure 7-1).

DISTRIBUTION SYSTEM. That complex of facilities, installations, methods, patterns, and procedures designed to receive, store, maintain, distribute, and control the flow of materiel between the point of receipt into a military supply system and the point of issue to a post, camp, station, base (or equivalent).

DoD REGISTRY. DoD designated activity which serves as repository for small arms serial numbers provided by the Component Registries.

FULL PIPELINE. A sufficient quantity of assets, onhand and/or on order, to meet forecasted demands through a period equal to the procurement lead time plus the safety level and, when applicable, OWRMRP of the LIM.

GAINING INVENTORY MANAGER. The Inventory Manager responsible for assuming wholesale materiel management functions.

HISTORY FILE (Small Arms Registry). A list of weapon serial numbers which the Component Registry's Military Department or Agency has reported as shipped to another activity, either intra-Service or inter-Service.

INACTIVE FILE (Small Arms Registry). A list of weapon serial numbers which the Component Registry's Military Department or Agency has reported as demilitarized, lost or stolen, or transferred outside the control of DoD.

INITIAL REGISTRATION. The initial loading of a small arm serial number data into the Component Registry.

INTER-SERVICE SUPPLY. Exchange of materiel, inventory control documentation, and other management data between a distribution system of one Service or Agency and a distribution system of another.

INTRA-SERVICE SUPPLY. Exchange of materiel, inventory control documentation, and other management data within or between the distribution systems of a single Service or Agency.

INVENTORY CONTROL POINT. *An organizational unit or activity within a DoD supply system that is assigned the primary responsibility for the materiel management of a group of items either for a particular Service or for the Defense Department as a whole. Materiel inventory management includes cataloging direction, requirements computation, procurement direction, distribution management, disposal direction, and, generally, rebuild direction. (JCS Publication 1 (reference (b)).)*

INVENTORY CONTROL RECORD. The composite of data entries showing by item the ownership/purpose; condition; location; balances on hand, due-in, or on backorder; and such other management information as may be prescribed by competent authority. It is the primary source of recorded data influencing inventory control, supply distribution, and financial management decisions and actions.

INVENTORY LOT/SEGMENT. A subgrouping of the total items in storage for the purpose of physical inventory counting or location audit. The lot/segment is generally by federal supply class, warehousing, picking station, or some form of commodity grouping.

INVENTORY, SCHEDULED. A physical inventory which is to be conducted on a group of items within a specified period of time according to an established plan. There are two types of scheduled inventories; complete and sample.

a. **Inventory, Complete.** An inventory of all conditions of all stock numbers within specified categories.

b. **Inventory, Sample.** A sample of items selected from an inventory lot in such a manner that each item in the lot has an equal opportunity of being included in the sample.

INVENTORY, UNSCHEDULED. A physical inventory which is to be conducted on a specific item as a result of some unscheduled inventory requirement such as an inventory manager or locally initiated request, material release denial, location survey or location reconciliation request, etc. There are two types of unscheduled inventories; special and spot.

a. **Inventory, Special.** A physical inventory of a specific item(s) as a result of a special requirement generated by the location audit program, preprocurement, or any other reason deemed appropriate by the item manager, APO or the APO designated representative, or the storage activity.

b. **Inventory, Spot.** A physical inventory required to be accomplished as a result of a total or partial materiel denial.

LOCATION AUDIT PROGRAM. The location audit program consists of actions required to assure compatibility between the assets in storage and the locator records and between the locator records and the accountable records. Location audit programs may include quantity. This program is accomplished in two phases:

a. **Location Reconciliation.** A match between valid storage activity records and the accountable records, in order to identify and correct situations where items are in physical storage but not on record, on record but not in storage, or where common elements of data (may include quantity) do not match. Research of mismatches, including special inventories when required, results in corrective action.

b. **Location Survey.** A physical verification, other than actual count, between actual assets and recorded location data to ensure that all assets are properly recorded as to location, identity, condition, and unit of issue.

LOGISTICS REASSIGNMENT. The transfer of management responsibilities from one materiel manager to another materiel manager.

LOSING INVENTORY MANAGER. The Inventory Manager responsible for relinquishing wholesale materiel management functions.

MANAGEMENT CONTROL ACTIVITY. DoD Component-designated activities that initially receive and effect control over contractor-initiated requisitions for GFM to support commercially performed maintenance contracts or requirements which would be supplied from the wholesale DoD supply system.

MAJOR INVENTORY VARIANCE. Total dollar value of the item overage or shortage for the stock number exceeds **\$5,000 or a variance of any value for controlled items.**

MATERIEL. *All items (including Ships, tanks, self-propelled weapons, aircraft, etc., and related spares, repair parts, and support equipment, but excluding real property, installations, and utilities) necessary to equip, operate, maintain, and support military activities without distinction as to its application for administrative or combat purposes. (See also equipment; personal property.) (Joint publication 1 (reference (b)).)*

MATERIEL ACCOUNTABILITY. *The act of safeguarding, answering for, and exercising proper quantitative and physical controls over DoD materiel, supplies, and equipment in the care and custody of DoD activities.*

MATERIEL DENIAL. A notification from a distribution activity advising the originator of an A5_ MRO, or of an A4_ referral order, of failure to ship all or part of the quantity originally directed for shipment.

MATERIEL RECEIPT ACKNOWLEDGMENT. *A computer-processable transaction or manual form used to advise that materiel has been received and posted and/or to indicate that a discrepancy affects the receipt posting/acknowledgment process.*

NARRATIVE MESSAGE. Any message that is not a machine readable transaction/document, but contains variable length, in-the-clear language not suitable for mechanical processing upon receipt. Narrative message is a generic term to include teletype, dispatch, or TWX.

OTHER WAR RESERVE MATERIEL REQUIREMENT. This level consists of the war reserve materiel requirement less the PWRMR.

OTHER WAR RESERVE MATERIEL REQUIREMENT, PROTECTABLE. The portion of the OWRMR which is protected for purposes of procurement, funding, and inventory management.

PAYBACK. When the SMCA issues materiel from a location where the requesting service owns no materiel, the owning service is compensated for its loss of materiel by a like item and quantity at a location where the requesting service owns some materiel. The payback of the materiel is accomplished by ownership gain/loss transactions.

PHYSICAL INVENTORY CUTOFF DATE. A date established for striking the accountable record balance. This date serves as the reference point for considering the relationship between preinventory/postinventory transactions and the physical count quantity to determine if the count is in agreement with the inventory record balance.

PHYSICAL INVENTORY INFLOAT CONTROL DATE. A date established for initiating controls on all inprocess transactions and materials which could affect the outcome of the inventory.

PILFERABLE ITEMS. (See Controlled Inventory Items.)

POSTCOUNT VALIDATION. (See Reconciliation, Physical Inventory.)

POST-POST TRANSACTION. The posting of a transaction to add to or subtract from the accountable stock record balance subsequent to physical issue or storage of a stocked item.

POSTINVENTORY TRANSACTION. Any transaction, causing an increase or decrease to the accountable stock record balance, dated after the established physical inventory cutoff date.

PREINVENTORY TRANSACTION. Any transaction, causing an increase or decrease to accountable stock records, dated prior to the established physical inventory cutoff date.

PREINVENTORY PLANNING. Preinventory planning is conducted prior to the physical inventory cutoff date to reduce the potential for inventory inaccuracies through:

a. Actions to ensure location integrity by resolving such situations as unbinned/loose materiel; questionable identity of materiel in location; and multiple conditions, shelf-life (including date of pack/date of expiration), and/or materiel lots stored in a single location.

b. Document cleanup to ensure to the extent possible that adjustments and transaction reversals are posted to the record, inprocess receipts are stored in location, and related transactions are transmitted to the ICP prior to the established physical inventory cutoff date.

PRE-POSITIONED WAR RESERVE MATERIEL REQUIREMENT. That portion of the war reserve materiel requirement which approved Secretary of Defense guidance dictates be reserved and positioned at or near the point of planned use or issue to the user prior to hostilities, to reduce reaction time and to assure timely support of a specific force/project until replenishment can be effected.

PRE-POSITIONED WAR RESERVE MATERIEL REQUIREMENT, PROTECTABLE. That portion of the PWRMR which is protected for purposes of procurement, funding and inventory management.

PREPOST TRANSACTION. The posting of a transaction to add to or subtract from the accountable stock record prior to physical issue or storage of a stocked item.

PRODUCT QUALITY DEFICIENCY. *A defect or nonconforming condition which limits or prohibits the produce from fulfilling its intended purpose. Included are deficiencies in design, specification, materiel, manufacturing, and workmanship. (DLAR 4155.24 et al. (reference (m)).)*

PROPERTY ACCOUNT. *A formal record of property and property transactions in terms of quantity and/or cost, generally by item. An official record of Government property required to be maintained. (Joint Publication 1 (reference (b)).)*

PROPERTY ACCOUNTABILITY RECORD. *The official record for tangible personal property, including inventory, owned by DoD which is maintained to identify the quantity of an item on hand, unit price, location, physical condition, receipt, issue, authorized stock number, item description, and other such information necessary to properly account for materiel and exercise other inventory management responsibilities.*

PURCHASING OFFICE. The office which awards or executes a contract for supplies or services and performs postaward functions not assigned to a contract administration office.

RECONCILIATION, PHYSICAL INVENTORY. To obtain agreement between the physical count and record balance by attempting to account for all transactions representing infloat documents.

REPORTING ACTIVITY. *Within the context of chapter 6, the reporting activity for U.S. forces is the activity identified by the “ship-to” DoDAAC designated by the signal code of the requisition. The reporting activity is normally the requiring activity or unit which receives the materiel and posts it to a record such as a retail stock record, stock record account, property account, etc. For security assistance shipments, the responsible Service ILCO will serve as the reporting activity.*

RESEARCH, PHYSICAL INVENTORY. An investigation of potential or actual discrepancies between physical count and recorded balances. The purpose of research is to determine the correct balance and determine the cause of discrepancies. There are three types of research:

a. **Postcount Validation.** *A comparison of physical count with recorded balances or another count, with consideration of transactions that have occurred recently. The purpose of postcount validation is to determine the validity of the count. Postcount validation research ends when the accuracy of the count has been verified or when any necessary recounts have been taken. (See figure 7-1.)*

b. **Preadjustment Research.** *A review of potential discrepancies which involves the consideration of recent transactions, and verification of catalog data.* The purpose of preadjustment research is to determine the correct balance. Preadjustment research ends when the balance has been verified or the adjustment quantity determined.

c. **Causative Research.** *An investigation of discrepancies (i.e., gains and losses) consisting of (as a minimum) a complete review of all transactions to include supporting documentation, catalog change actions, shipment discrepancies, and unposted or rejected documentation occurring since the last completed inventory.* The purpose of causative research is to identify, analyze, and evaluate the cause of inventory discrepancies with the aim of eliminating repetitive errors. Causative research ends when the cause of the discrepancy has been discovered or when, after review of the transactions, no conclusive findings are possible.

RETAIL. *Level of inventory below the wholesale level, either at the consumer level (directly supporting customers) or at the intermediate level (supporting a geographical area). (DoD 4140.1-R (reference v)).)*

SENSITIVE ITEMS. (See Controlled Inventory Items.)

SHELF-LIFE. The total period of time beginning with the date of manufacture/cure/assembly [or inspection/test/restorative action] that an item may remain in the combined wholesale (including manufacturer) and retail storage system and still remain suitable for issue/use by the end user. Shelf-life is not to be confused with service life, which is a measurement of anticipated average or mean life of an item. (DoD 4140.27-M (reference (c)).) Supply condition codes applicable to shelf-life items are described in appendix B6.

SHELF-LIFE ITEM. An item of supply possessing deteriorative or unstable characteristics to the degree that a storage time period must be assigned to assure that it will perform satisfactorily in service. (DoD 4140.27-M (reference (c)).) (See Type I Shelf-Life Item and Type II Shelf-Life Item.)

SHELF-LIFE EXPIRATION DATE. The date beyond which nonextendable shelf-life items (Type I) should be discarded as no longer suitable for issue or use. (DoD 4140.27-M (reference (c)).)

SHELF-LIFE INSPECTION/TEST DATES. The date by which extendable shelf-life items (Type II) should be subjected to inspection, test, or restoration. (DoD 4140.27-M (reference (c)).)

SINGLE MANAGER FOR CONVENTIONAL AMMUNITION. The responsibility assigned to the Secretary of the Army by the Secretary of Defense for the procurement, production, supply, and maintenance/renovation of conventional ammunition within the DoD. Specific responsibilities, functions, authority, and relationships are set forth in DoD Directive 5160.65 (reference (d)).

SMALL ARMS. For the purpose of small arms reporting (chapter 12), small arms are defined as handguns; shoulder-fired weapons; light automatic weapons up to and including .50 caliber machine guns; recoilless rifles up to and including 106mm; mortars up to and including 81mm; rocket launchers, man-portable; grenade launchers, rifle and shoulder fired; and individually operated weapons which are portable and/or can be fired without special mounts or firing devices and which have potential use in civil disturbances and are vulnerable to theft.

SMALL ARMS REGISTRY FILES. (See Active File, Inactive File, History File.)

SMALL ARM SERIAL NUMBER. The total series of characters appearing on the firing component part of a small arm.

SMALL ARMS TRANSACTION REPORTING. Reporting of individual transactions affecting the small arms serial numbers' status within any Component Registry.

STOCK CONTROL ACTIVITY. The organizational element of a distribution system which is assigned responsibility for maintaining inventory data on the quantity, ownership/purpose, condition, and location of materiel which is due-in, onhand, and backordered to determine availability of materiel for issue and to facilitate distribution and management of materiel.

STOCK RECORD ACCOUNT. *A basic record showing by item the receipt and issuance of property, the balances on hand, and such other identifying or stock control data as may be required by proper authority. (JCS Publication 1 (reference (b)).)*

STORAGE ACTIVITY. The organizational element of a distribution system which is assigned responsibility for the physical handling of materiel incident to its check-in and inspection (receipt), its keeping and surveillance in a warehouse, shed, or open area (storage), and its selection and shipment (issue).

SUPPLY DISCREPANCY. *Errors reportable under DLAI 4140.55 et al. (reference (k)); i.e., any variation in goods received from data shown on the covering shipping documents (i.e., GSA or DD Form 1348-1, DD Form 1149, authorized procurement delivery document or vendor's packing list, or other authorized shipping document) which is not the result of a transportation discrepancy or product quality deficiency. Supply discrepancies encompass variations in condition or quantity--including lost or damaged U.S. Postal Service shipments, incorrect and misdirected materiel, receipt of canceled requirements, improper or inadequate technical data or supply documentation, and any unsatisfactory condition due to improper packaging which causes the materiel to be vulnerable to loss, delay, or damage or which imposes unnecessary expense to the U.S. Government (e.g., excessive packaging).*

TECHNICAL DATA. Recorded information used to define a design and to produce, support, maintain, or operate items of materiel. These data may be recorded as graphic or pictorial delineations in media such as drawings or photographs; specifications or related performance of design type documents; in machine forms such as punched cards, magnetic tape, computer

memory printouts; or may be retained in computer memory. Examples of recorded information include engineering drawings and associated lists specifications, standards, process sheets, manuals, technical reports, catalog item identifications, and related information.

TOTAL ITEM PROPERTY RECORD. *The record or record set maintained by the IMM that identifies the quantity, condition, and value of the item assets for each organizational entity having physical custody of the assets. The total item property record includes, as a minimum, materiel that is due-in, in transit, in organic wholesale repair facilities, in a contractor's custody, on loan, on and in wholesale distribution centers, on hand at retail activities, and for reported assets in the custody of users.*

TRANSPORTATION DISCREPANCY. *Any variations in quantity or condition of materiel received from that shown in the piece count by type of transportation pack on the bill of lading or governing transportation document, or materiel delivered without transportation documentation, and other deficiencies or discrepancies in transportation when discrepant materiel is not involved. For example, improper or inadequate carrier handling, service, or equipment is involved or significant or repetitive discrepancies by the same shippers are noted in connection with the preparation and/or distribution of bills of lading. Responsibility can be the fault of the carrier or the shipper. (AR 55-38 et al. (reference (1)).)*

TYPE I SHELF-LIFE ITEM. An item of supply which is determined through an evaluation of technical test data and/or actual experience to be an item with a definite nonextendable period of shelf life.

TYPE II SHELF-LIFE ITEM. An item of supply having an assigned shelf- life time period that may be extended after completion of inspection/test/restorative action.

UNCLASSIFIED PROPERTY RECORD. A stock account belonging to a DoD activity whose mission is not classified, whereas a classified account contains information of a sensitive nature, the disclosure of which may be detrimental to the U.S. Government's interest (e.g., small arms belonging to intelligence gathering activities).

WHOLESALE STOCK. *Stock, regardless of funding sources, over which the IMM has asset knowledge and exercises unrestricted asset control to meet worldwide inventory management responsibilities. (DoD 4140.1-R (reference (v)).)*

CHAPTER 1

GENERAL INFORMATION

A. AUTHORITY. This manual is issued under the authority of DoD Directive 4140.1 (reference (a)).

B. PURPOSE

1. This manual provides uniform procedures for recording inventory management data passed between elements of a single Service or Agency distribution system or between the various distribution systems of the Department of Defense. The procedures govern the interchange of information for all materiel in the supply control/distribution systems and financial management of the DoD and other participating Agencies, unless specifically exempted by the Deputy Under Secretary of Defense (Logistics) (DUSD(L)).

2. The forms, formats, and codes prescribed herein were developed on the basis of the Services'/Agencies' requirement for standard transaction reporting and accounting procedures used in item accounting and financial inventory of Department of Defense materiel. The prescribed codes are mandatory for inter- and intra-Service/Agency use when data are interchanged among elements of a distribution system.

3. The requirements of other logistics functional areas (exclusive of the specific codes and procedures for accomplishment) related to MILSTRAP have been considered and are included to provide procedural clarity and/or to describe procedural interface with other DoD logistics standard systems. Certain techniques for deriving financial billing data are provided within the purview of this manual. Financial billing procedures are prescribed in appropriate DoD publications.

C. APPLICABILITY

1. This manual applies to the Office of the Secretary of Defense, Unified and Specified Commands, the Organization of the Joint Chiefs of Staff, the Army, Navy, Air Force, Marine Corps, Coast Guard, Defense Threat Reduction Agency, Defense Logistics Agency, and, in part (chapter 11 and appendix B6), to the General Services Administration.

a. The U.S. Coast Guard, as established by Title 14 of the United States Code, "...shall be a Military Service and a branch of the armed forces of the United States at all times." While the Coast Guard is an element of the Department of Transportation, it functions as a specialized

Service in the Navy during times of war.

b. As a Military Service, the Coast Guard relationship, with regard to MILSTRAP will be the same as the DoD Military Services.

D. EXCLUSIONS

1. Supply transactions below the ICP or SA level in the distribution system; i.e., transactions at post, camp, station, base (or equivalent) level or between post, camp, station, base (or equivalent) and using organizations, unless a Service or Agency ***establishes an internal requirement for use at this level***. Materiel receipt acknowledgment, as provided for in ***chapter 6***, is required below the wholesale level and is not excluded. Transaction and asset status reporting, as provided for in chapter 8, is required below the wholesale level and is also not excluded. MILSTRAP further excludes:

a. Bulk petroleum and packaged fuel products.

b. Forms and publications.

c. Industrial plant equipment.

d. COMSEC and SIGINT equipment, COMSEC aids (keying materiel), and those spare and repair parts which are classified as CRYPTO items or which are normally obtained through CRYPTO channels.

e. Aircraft and missile propulsion units.

f. Nuclear ordnance items designated by DNA for unique item tracking control.

g. Coal and coke.

h. National Defense Stockpile assets.

2. Financial transactions are generated independently of inventory control record maintenance. The financial accounting aspects of this manual pertain only to that financial data produced as a by-product of receipt, issue, and adjustment processing.

3. Chapter 7 addresses exclusions from the requirements of the DoD Physical Inventory Control Program.

E. POLICY

1. DoD 4140.1-R (reference (v)) provides the primary DoD policies governing procedures in this manual.

2. Federal Information Processing Standard (FIPS) 161-2 EDI standards, such as ANSI ASC X12, will be used for electronic business transaction exchanges in new and planned logistics business processes to include major modifications to existing legacy systems.¹

3. This manual shall be disseminated, as required, to the using levels of DoD Components. The DoD Components may issue supplementary procedures when additional detailed instructions are required within their Component.

4. These procedures shall be implemented uniformly between DoD Components and at all levels within each DoD Component.

a. Requests for deviations or waivers shall be considered when it can be demonstrated that the system in question cannot provide a workable method or procedure or cannot accommodate interim requirements.

b. Deviations or waivers may not be requested solely to accommodate existing internal systems and procedures or organizational environments.

5. Recommended changes to these procedures will be forwarded through the Service/Agency MILSTRAP Focal Point, listed in section J., to the Supply PRC chair for review and coordination with all Services/Agencies. **Implementation dates for approved changes will be as coordinated with Services/Agencies or as directed by the DUSD(L).**

¹ **The logistics electronic business transactions, data, and business rules prescribed in the DLMS (DoD 4000.25-M (reference (bb))) satisfy the FIPS 161-2 requirement and have been developed to replace the DoD unique transactions and requirements prescribed by this and other DLSS manuals. This and other DLSS manuals will be maintained during the transition to DLMS. DLMS, rather than the DLSS, must be incorporated in DoD logistics systems as part of the ongoing modernization programs. MILSTRAP shall be deactivated with the DoD wide implementation of DLMS. Relevant MILSTRAP procedures and policies have been incorporated into DLMS. See <http://www.log.edi.migration.hq.dla.mil> for additional information regarding DoD logistics migration to commercial EDI standards.**

F. RESPONSIBILITIES

1. The **DoD MILSTRAP System Administrator** is assigned as the DoD Focal Point responsible for administering MILSTRAP in accordance with the policy guidance of the DUSD(L). The system administrator shall:

a. Perform analysis and design functions, in coordination with the Services/Agencies, to implement guidance and instructions provided by the DUSD(L) and to ensure the involvement of telecommunications planning in an integrated system design.

b. Recommend system improvements and additional policy, as required, during the development of procedures.

c. Develop, publish, and maintain this manual in a current status consistent with DoD 5025.1-M (reference (e)). This includes the responsibility to:

(1) Evaluate and coordinate proposed changes with the Services/Agencies, foreign governments, and industrial organizations and furnish a copy of all change proposals to the DUSD(L).

(2) Resolve issues concerning procedural matters within 90 calendar days after receipt of all comments from the Services/Agencies. Issues affecting resources or policy shall be referred, together with comments of the Services/Agencies and a recommendation of the system administrator, to the DUSD(L) for decision.

(3) Make available to the DUSD(L) and to the Services/Agencies a status review of all change proposals which have not yet been approved for publication, or, that if approved, have not been implemented. (RCS DD-AT&L(AR)1419 applies.) (See www.dlmsso.hq.dla.mil for the latest status review.)

(4) Ensure compatibility of assigned systems. Coordinate, when appropriate, among DLMSO Process Review Committee functional area chairpersons, with designated system administrators of other DoD logistics systems, and with related DoD logistics task groups. Attain compatibility among these systems and groups, when appropriate, before coordination with the Services/Agencies.

d. Ensure uniform implementation of MILSTRAP, consistent with DoDD 4140.1 (reference (a)), by taking action to:

(1) Review all supplemental procedures issued by Services/Agencies to ensure continuing conformance of revisions to MILSTRAP.

(2) Review implementation plans and implementation dates of Services/Agencies and make recommendations for improvements.

(3) Conduct periodic evaluations to determine the effectiveness of the system.

(4) Conduct staff assistance visits, as needed, to Service/Agency activities to review selected system segments in order to determine compliance with prescribed MILSTRAP requirements and to furnish clarification to ensure uniform interpretation of MILSTRAP requirements. When planning staff assistance visits, develop and submit a coordinated Service/Agency staff assistance visit program to the DUSD(L). The staff assistance visit program will reflect a tentative schedule of activities to be visited and general areas of concentration.

(5) Report to the DUSD(L) the findings and recommendations of evaluations and staff assistance visits, along with comments of the Services/Agencies concerned.

(6) Secure semiannually from the Services/Agencies status information concerning implementation of approved system revisions. (RCS DD-AT&L(AR)1419 applies.)

e. Participate in Supply PRC meetings. DLMSO will conduct PRC meetings in accordance with the procedures in DoD 4000.25-M (reference (bb)), volume 1.

f. Review and evaluate curricula of DoD and other participating organization training schools offering courses related to MILSTRAP and make recommendations for improvements.

g. Assist in resolving problems, violations, and deviations that arise during system operations and that are reported to the system administrator. Unresolved problems and continued violations shall be referred to the DUSD(L) for resolution or corrective action.

h. Review and coordinate with the Services/Agencies, affected foreign governments, and industrial organizations all requests for systems deviations and exemptions and make appropriate recommendations to the DUSD(L) based on factfinding studies or analysis of accompanying justification.

2. Heads of DoD Components and Other Participating Services/Agencies will:

a. Designate an office of primary responsibility for MILSTRAP to serve as the system focal point and coordinate MILSTRAP issues/changes with the Component Supply PRC representative. Identify by name to the system administrator a primary focal point representative for MILSTRAP to:

(1) Participate in Supply PRC meetings when MILSTRAP related areas are

addressed.

(2) Provide input to the Supply PRC representative who will provide the Service/Agency or participating organization position, and has authority to make decisions regarding procedural aspects. Supply PRC representative offices are identified in section I.

(3) Ensure continuous liaison with the system administrator and other Services/Agencies.

(4) Evaluate all suggested changes to MILSTRAP that originate within their organization. Beneficial suggestions shall be evaluated initially by the focal point. If a suggestion is received by the system administrator directly for evaluation, it shall be forwarded to the appropriate Service/Agency focal point for review and evaluation. If the suggestion is considered worthy of adoption, the focal point shall submit a change proposal through their Supply PRC representative, to the system administrator, stipulating specific narrative changes to the publication. Such proposed changes shall be coordinated in the normal manner with awards determined by the focal point in accordance with current procedures.

(5) Submit revision proposals, as proposed change to DLMS, to the system administrator in accordance with section H.

(6) Provide input to the Supply PRC representative who will submit to the system administrator a single, coordinated Service/Agency position on all MILSTRAP related DLMS change proposals within the time limit specified (normally 60 calendar days) by the system administrator.

(7) Participate in system staff assistance visits in coordination with the system administrator.

b. Provide the **Supply PRC Chair** with a semiannual status report concerning implementation of approved MILSTRAP **and DLMS** changes. (RCS DD-AT&L(AR)1419 applies.) Report information as of May 1 and November 1 of each year for each approved change beginning with the first report following publication of the approved change letter and ending with the report in which the approved change is identified as fully implemented. In the final report, provide the Service/Agency implementing publication and change numbers/system identification/subsystem identification, as applicable. Attach a copy of the publication change if DLMSO is not on automatic distribution for the publication. By May 30 and November 30 of each year, **forward the report to the Supply PRC Co-Chair, via electronic mail at: *maryjane_Johnson@hq.dla.mil*. Traditional mail may be forwarded to:**

Director
Defense Logistics Management Standards Office
DLMSO/J-673 STE 1834
8725 John J Kingman Rd
Fort Belvoir, VA 22060-6217

c. Accomplish internal training to assure timely and effective implementation and continued operation of MILSTRAP. In addition furnish copies of initial training instructions concerning MILSTRAP to the system administrator.

d. Review, evaluate, and update, at least annually, curricula of internal training programs to ensure adequacy of training.

e. Provide representation to joint system design and development efforts and evaluations of MILSTRAP in coordination with the system administrator.

f. Review internal procedures continually to eliminate and prevent duplication of records, reports, and administrative functions related to information provided by MILSTRAP.

g. Provide the DLA Administrative Support Center with an open rider requisition using SF 1, Printing and Binding Requisition, and bulk distribution lists to cover all printed changes to MILSTRAP. Provide the open rider requisition and bulk distribution lists to:

DEFENSE LOGISTICS AGENCY ADMINISTRATIVE SUPPORT CENTER
ATTN: DASC-V
8725 JOHN J KINGMAN ROAD, SUITE 0119
FORT BELVOIR, VA 22060-6220.

h. Ensure that operating activities that support a MILSTRAP function comply with these procedures.

i. Furnish to the system administrator copies of supplemental and internal procedures, and changes thereto, related to operation of MILSTRAP.

j. Report to the system administrator problems, violations, and deviations that arise during system operations.

k. Review the MRA Management Information report for their reporting activities and initiate action to assure proper supply accountability and accounting control over intransit wholesale stock and compliance with the chapter 6 MRA requirements.

G. DISTRIBUTION OF THE MANUAL

1. The DLA Administrative Support Center will make distribution of this publication to designated points within each Service/Agency based upon open rider requisitions provided by the Service/Agency. Further distribution is accomplished within each Service/Agency based upon approved distribution data generated through command publication channels.

2. The Service/Agency MILSTRAP focal points identified in section I. have been designated as the single point to which Service/Agency activities will submit requests for copies of the basic publication, and changes thereto.

H. SYSTEM MAINTENANCE

1. Revisions to MILSTRAP result from release or revision of DoD instructions, directives, policy changes, and recommendations of the system administrator and the Services/Agencies.

2. ***Submitting Proposed MILSTRAP Changes. Service/Agency Supply PRC representatives, authorized in section I., and the heads of DoD logistics task groups may submit proposed critical changes to MILSTRAP in accordance with the instructions in DoD 4000.25-M (reference (bb)), volume 1. The proposal and all related correspondence should be forwarded to the Supply PRC Co-Chairperson, via electronic mail at: maryjane_johnson@hq.dla.mil. Traditional mail may be forwarded to:***

Director Defense Logistics Management Standards Office DLMSO/J-673 STE 1834 8725 John J Kingman Rd Fort Belvoir, VA 22060-6217
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3. ***As a minimum, proposed changes will include the following information:***

a. ***Originator. Identify the Service, Agency, or joint group submitting the requested change. Identify the person who can discuss the concepts and rationale underlying the proposed change.***

b. ***Functional Area. Identify the Primary and, if applicable, secondary DLSS/DLMS functional area(s) which may be affected by, or have interest in the problem or requested change.***

c. ***Requested change:***

(1) ***Title. A brief descriptive title for the change requested.***

(2) Description of change. *A brief description of the change being proposed and the fundamental problem or issue the change seeks to resolve.*

(3) procedures. *Proposed wording for MILSTRAP, DLMS, and any other affected DoD publications. Include changes to the procedural text, formats, DLMS implementation conventions and supplements, data element, code value, and any other relevant information.*

(4) Alternatives. *Identify and discuss alternate approaches to resolving the problem or issue.*

d. Reason for change. *Provide background and support for the problem or issue this change attempts to resolve. Elaborate on the need for the change and place the problem in a context which allows evaluators, who are generally familiar with the process, to understand the full impact of the problem or issue, and the impact of maintaining the status quo.*

e. Advantages and Disadvantages. *Operational statements which identify known advantages/disadvantages which would result from the proposed change. Identify both tangible and intangible benefits expected from implementation of the change. Address the impact if nothing is done.*

f. Impact. *A statement of known interface and impact requirements which identifies changes requiring coordination with other DoD logistics systems.*

4. System Administrator Evaluation of Proposed Changes

a. The system administrator will review all proposed changes to determine their completeness (see previous paragraph H.2.) and will return proposed changes which are not complete to the submitter.

b. The system administrator will evaluate all proposed changes prior to formal staffing with the Services/Agencies. The evaluation of the proposed revision will include, but not be limited to, the accuracy, validity, necessity, and urgency of the change.

c. The system administrator will return to the submitting focal point any requested change which ***is not deemed critical*** and does not demonstrate significant inter-Service and/or inter-Agency benefit. When requested changes are ***deemed critical*** and demonstrate significant benefit, the system administrator will formalize the request as a proposed ***DLMS*** change for staffing with the participating Services/Agencies and with the administrators of other DoD logistics systems which are impacted by the proposed change.

5. Processing Proposed Changes

- a.** Proposed changes will be consecutively numbered and will normally request the Services/Agencies to respond within 60 calendar days.
- b.** PRC representatives will provide a single coordinated position on all proposed changes.
- c.** If responses are not received within the specified timeframe, the system administrator will follow up with the delinquent Service/Agency. When a Service/Agency fails to respond within 45 calendar days of the specified response time, the system administrator may refer the matter to the DUSD(L).

6. Review and Evaluation of Responses. The system administrator will review and evaluate Service/Agency responses as follows:

- a.** When necessary, schedule proposed changes not receiving complete Service/Agency concurrence for discussion and resolution at a meeting of the Supply PRC.
- b.** Resolve issues which involve procedural matters normally within 90 calendar days after the receipt of all comments from the participating Services/Agencies.
- c.** Refer unresolved matters affecting policy, together with the Service/Agency comments and a recommendation of the system administrator, to the DUSD(L) for resolution.

7. Establishment of Implementation Dates

- a.** Following resolution of Service/Agency comments on the proposed change, the system administrator will prepare and disseminate to the Service/Agency Supply PRC representative a memorandum requesting the Service/Agency preferred implementation date. Requests for implementation dates (RFIDs) will normally request that Service/Agency implementation dates be provided within 60 calendar days.
- b.** When one Service/Agency provides an extended implementation date which would delay implementation by the other Services/Agencies by 12 months or more, the system administrator will attempt to resolve the issue with the appropriate Service/Agency. When a satisfactory implementation date cannot be jointly agreed upon, the system administrator will forward the matter to the DUSD(L) for resolution.

8. Announcement of Implementation Dates

- a.** After receiving and evaluating Service/Agency preferred implementation dates,

the system administrator will select and announce a DoD implementation date through dissemination of a consecutively numbered Approved DLMS Change.

b. Approved changes are planning documents provided to assist the Services/Agencies in the system/program design efforts which may be necessary to implement the change. To prevent degradation of this publication, approved changes must be maintained separately.

c. The system administrator will incorporate each approved change into an interim and/or formal change to this publication immediately preceding the implementation date for the change.

9. Preparation and Distribution of Interim and Formal Changes

a. Interim Changes. When it is necessary to disseminate modifications to this publication more expeditiously than cyclic implementation dates permit, the system administrator will distribute interim changes. Interim changes will be numbered consecutively and will indicate the current year. For example, interim changes for 2001 will be numbered 01-1, 01-2, etc. The changes will be issued as full page insertions to this publication and the change number will be indicated on each revised page. Unless otherwise indicated, paragraphs that are modified or added will be identified by bold and italicized print. To prevent degradation of this publication, interim changes must not be posted until their effective date.

b. Formal Changes. The system administrator will publish formal changes. Formal changes will incorporate, and identify therein, all approved changes having the same implementation date and all previously implemented interim changes. Formal changes will be numbered in sequence (CH 1, CH 2, etc.). The changes will be issued as full page or chapter insertions to this publication and the change number will be indicated on each revised page. Any explanatory information which is necessary to supplement page changes will be contained in the cover letter. Changes will be identified by bold and italicized print, unless otherwise noted. To prevent degradation of this publication, formal changes must not be posted until their effective date.

I. MILSTRAP FOCAL POINTS and SUPPLY PRC REPRESENTATIVES. Unless noted otherwise, the following offices have been designated as the Component office for both the MILSTRAP Focal Point and the Supply PRC representative.

DoD MILSTRAP System Administrator	DEFENSE LOGISTICS MANAGEMENT STANDARDS OFFICE (DLMSO/J-673), SUITE 1834 8725 JOHN J KINGMAN ROAD FORT BELVOIR, VA 22060-6217
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CH 5
DoD 4000.25-2-M

Army	COMMANDER US ARMY MATERIEL COMMAND ATTN: AMCLG-SM 5001 EISENHOWER AVENUE ALEXANDRIA, VA 22333-0001
Navy	COMMANDER NAVAL SUPPLY SYSTEMS COMMAND ATTN: NAVSUP 4C2B6 5450 CARLISLE PIKE MECHANICSBURG, PA 17055-0791
Air Force	COMMANDER HQ AIR FORCE MATERIEL COMMAND ATTN: AFMC/LGIA 4375 CHIDLAW ROAD, ROOM B101 WRIGHT-PATTERSON AFB, OH 45433-5006
Marine Corps	COMMANDANT OF THE MARINE CORPS INSTALLATION & LOGISTICS ATTN: LPC-3 2 NAVY ANNEX WASHINGTON, DC 20380-1775
Defense Logistics Agency (Supply PRC only)	DIRECTOR DEFENSE LOGISTICS AGENCY ATTN: J-3322, ROOM 4146 8725 JOHN J KINGMAN ROAD FORT BELVOIR, VA 22060-6221
Defense Logistics Agency (MILSTRAP only)	DIRECTOR DEFENSE LOGISTICS AGENCY ATTN: J-33231, ROOM 4134 8725 JOHN J KINGMAN ROAD FORT BELVOIR, VA 22060-6221
National Imagery and Mapping Agency	NATIONAL IMAGERY AND MAPPING AGENCY ATTN: ST D 101 4600 SANGAMORE ROAD BETHESDA, MD 20816-5003
Defense Threat Reduction Agency	COMMANDER DEFENSE THREAT REDUCTION AGENCY ATTN: NSOCM 1680 TEXAS STREET, SE KIRTLAND AFB, NM87117-5669
National Security Agency	DIRECTOR NATIONAL SECURITY AGENCY ATTN: S711 9800 SAVAGE ROAD FORT GEORGE G. MEAD, MD 20755-6000

Coast Guard	COMMANDANT U.S. COAST GUARD ATTN: G-SLP 2100 SECOND STREET, SW WASHINGTON, DC 20593-0001
Defense Automatic Addressing System Center	DEFENSE AUTOMATIC ADDRESSING SYSTEM CENTER ATTN: DSDC SSL 5250 PEASON ROAD AREA C, BUILDING 207 WRIGHT PATTERSON AFB, OH 45433-5320
Defense Security Cooperation Agency	DEFENSE SECURITY COOPERATION AGENCY ATTN: DSCA PSD PMD 1111 JEFFERSON DAVIS HIGHWAY, SUITE 303 ARLINGTON, VA 22202-4306
Federal Aviation Administration	FEDERAL AVIATION ADMINISTRATION NAS LOGISTICS PROPERTY MANAGEMENT DIV ATTN: AFZ 500 800 INDEPENDENCE AVENUE SW WASHINGTON, DC 20591-0001
General Services Administration	COMMISSIONER GENERAL SERVICES ADMINISTRATION FEDERAL SUPPLY SERVICE ATTN: FCSI 1941 JEFFERSON DAVIS HIGHWAY ARLINGTON, VA 22202-4502

J. Communications

1. General. The DAASC provides multiple methods for exchanging computer-readable DoD logistics transactions.

a. Defense Information Systems Network (DISN)/Non-Secure Internet Protocol Router Network (NIPRNET). The DAASC is connected to the DISN/NIPRNET which supports data exchange using File Transfer Protocol (FTP) employing Transfer Control Protocol/Internet Protocol (TCP/IP). As a value-added service to the Components, the DAASC developed a specific file naming convention to ensure data integrity and provide a method for identifying, tracking and accounting for transferred files. Follow the procedures in paragraph J.1.d. to obtain DAASC's documentation and format requirements. The actual format of the data may be in either of the following formats:

(1) JANAP Format. Data formatted as data pattern JANAP 128 messages.

(2) DAASC DDN Format. Data formatted in the DAASC DDN Format.

b. ***DAASC Integrated E-mail Logistics (DIELOG).*** DAASC supports data exchange using the DIELOG service. This service allows data exchange via email by using a specific format for embedding the transactions in the body of an email message and using Simple Mail Transfer Protocol (SMTP) for the delivery mechanism. Follow the procedures in paragraph J.1.d. to obtain documentation on using DIELOG.

c. ***DAASC Automated Message Exchange Service (DAMES).*** DAASC has developed and distributes a product called DAMES. DAMES allows a user to connect via the DISN or switched dial-up telephone lines for the exchange of logistics transactions and narrative messages. The messages use the data pattern and narrative JANAP 128 format. Follow the procedures in paragraph J.1.d. to obtain documentation on using DAMES.

d. ***Documentation and software download procedures:***

(1) Logon to the DAASC website at <http://www.daas.dla.mil>.

(2) Select <Product Support>.

(3) Select <Software and Documentation>

(4) Select appropriate product information.

e. MILSTRAP is designed for use of electronically transmitted computer-readable transactions. All DoD activities having the capability to send computer-readable transactions, and non-DoD activities by agreement, will use ***DAASC methodologies for data exchange*** in the MILSTRAP process. Activities lacking an ability to prepare computer-readable transactions and/or send them electronically, will arrange for preparation and/or transmission of such transactions by the nearest facility having such capability.

f. Whenever it is necessary to send classified data relating to MILSTRAP documentation by any means of communication, establish controls which are commensurate with the security classification of the data being sent. Data pattern classified messages will be addressed directly to the intended recipient and not routed to or through the DAASC. Prepare such messages in accordance with JANAP 128(I) (reference (f)).

g. DAASC routing procedures for specific MILSTRAP transactions are in chapter 9.

2. Electronic Communications

a. The ***DISN/NIPRNET*** are worldwide DoD computerized general purpose communications networks, which provide for transmission of narrative and data pattern (computer-readable) traffic.

b. The CIC in communications message headers, as prescribed by JANAP 128(I) (reference (f)), identifies various types of traffic and provides a reference/indicator to communications personnel for routing, handling, and speed of processing messages received based on the local command policies and procedures. For MILSTRAP traffic, the second position of the CIC should always be an alpha A or B, except when an alphabetic H is required by chapter 14. Establish appropriate local rules for communications terminal routing and handling of MILSTRAP transactions received to ensure that the transactions reach the appropriate functional elements for processing.

c. MILSTRAP participants should be familiar with and establish local procedures to provide for efficient use of the facilities and capabilities of the supporting communications terminal which provides communications services.

3. Selection of Communications Media. MILSTRAP is designed to permit transmission and receipt of transactions by electronic communications. To assure fast and correct processing, use the following media in their listed order of preference:

a. Data Pattern Message. A computer-readable, fixed-length format sent electronically via the DAASC. This method is the most desirable, fastest, and surest and it provides for receipt of transactions in a format suitable for automated processing.

b. Narrative Message. Narrative electronically transmitted messages are a less desirable method due to inherent delay and potential for error in transcribing into machine-readable format for processing. Narrative messages may be used to send MILSTRAP transactions electronically in prescribed formats ***only when there is no capability to send data pattern messages via DAASC***.

c. Telephone. The telephone is not a desirable medium due to potential for error in transcribing into machine-readable format for processing. Use the telephone to send MILSTRAP transactions only when all the other means of communication are temporarily not available and the degree of urgency requires immediate transmission. Do not confirm telephone transactions by submitting the transactions by other media.

4. Communications Precedence. Assign an appropriate communications precedence to electronic transmissions in accordance with the JANAP 128(I), (reference (f)). Communications precedence applies to data pattern messages and narrative messages. It applies to speed of transmission and handling in the communications system. The assignment of precedence is the responsibility of the message originator as determined by the subject matter and time factors involved. The communications precedence for all MILSTRAP transactions is routine.

CHAPTER 4

RECEIPT AND DUE-IN TRANSACTIONS

A. GENERAL

1. This chapter prescribes standard procedures for transmitting information about incoming materiel between ICPs and storage activities. It also provides for processing materiel receipt documentation from the storage activity where materiel is received to the **owner**. The procedures require timely establishment of procurement on-order records and expeditious reflection of assets in the **owner's** records and related financial account.
2. Documentation covering consignment of materiel to storage activities is prescribed in other DoD and Service/Agency regulations. These documents are used, together with information developed by inspection and classification procedures, as source data for documenting transactions in terms of this manual. The distribution of disbursement, procurement, and transportation documentation by storage activities is also governed by existing regulations and is, therefore, not a consideration here.
3. When data reflected in consignment documentation are converted into MILSTRAP receipt transactions, recording of receipts within the DoD is standardized and complements the principles established in other chapters of this manual.

B. DUE-IN TRANSACTIONS

1. Due-in transactions are used in establishing and cancelling due-in records and when transmitting due-in establishment and cancellation actions. These transactions are identified by DI codes in the DD series for materiel due-in from procurement instrument sources and in the DF series for materiel due-in from other than procurement instrument sources.
2. Prepare due-in transactions in the appendix C11 or C13 format.

C. PRE-POSITIONING DOCUMENTS FOR RECEIPTS

1. Services/Agencies managing the distribution system(s) may prescribe that ICPs transmit advance notification of scheduled materiel receipts to storage activities. Use PMRs, prepared in the appendix C38 or C39 format and identified by DI codes in the DU or DW series, for this purpose.

2. Storage activities receiving PMRs will maintain them in a suspense file pending receipt of the materiel or of PMR updates from the ICP.

3. Deletion of pre-positioned suspense records is controlled by the ICP. To delete a suspense record, the ICP will transmit a reversal (***reversal indicator*** in record position 25) of the original PMR to the storage activity. New PMRs and replacement PMRs for deleted documents do not contain the reversal ***indicator***. Proper and accurate maintenance of the PMR suspense file by storage activities is extremely important. ***Timely updates by the owner/manager is essential to proper and accurate maintenance of the PMR suspense file by the storage activity.***

D. MATERIEL RECEIPTS (PROCUREMENT INSTRUMENT SOURCE)

1. Storage activities will report receipts of materiel from procurement instrument sources to ICPs using materiel receipt transactions citing a DI code in the D4 series (see appendix C1). (For logistically reassigned items, report receipts after the ETD in accordance with chapter 11. However, also see section H procedures for reporting receipts of discrepant/deficient shipments.) DI codes for reporting procurement receipts for depot inventory are assigned and explained in appendix B1.

2. Receipts from vendors can emanate from central procurement or local procurement actions. Authorized procurement delivery documents should accompany each shipment as prescribed in the FAR (reference (i)).

3. When shipments of materiel received from commercial sources require inspection and/or acceptance at destination, storage activities will accomplish the inspection and/or acceptance and the incheck operations concurrently.

a. Inspect shelf-life materiel for appropriate condition and type of shelf-life code in accordance with applicable Service/Agency prescribed procedures based on DoD 4140.27-M, (reference (c)). Mark materiel, as appropriate, for shelf-life code and supply condition code upon receipt. Package markings will be in accordance with MIL-STD-129 (reference (j)).

b. Based on inspection, storage activities will prepare separate materiel receipt transactions indicating the actual condition of the materiel received. Prepare materiel receipt transactions for discrepant shipments from commercial sources in accordance with the guidelines provided in section H.

4. Complete the materiel receipt transaction by changing or adding to data in the PMR suspense record, or by extracting data from the consignment documentation.

E. MATERIEL RECEIPTS (OTHER THAN PROCUREMENT INSTRUMENT SOURCE)

1. Storage activities will report receipts of materiel from other than procurement instrument sources to ICPs using materiel receipt transactions citing a DI code in the D6 series (see appendix C2). (For logistically reassigned items, report receipts after the ETD in accordance with chapter 11. However, also see section H. procedures for reporting receipts of discrepant/deficient shipments.) DI codes to report nonprocurement receipts for depot inventory are assigned and explained in appendix B1.

2. Complete the materiel receipt transaction by changing or adding to data in the PMR suspense record or by extracting data from the consignment documentation.

F. TIME STANDARDS FOR PROCESSING RECEIPTS

1. One objective of the MILSTRAP system is to process receipts and reflect them on both the accountable **and owner** records with minimal delay. Wholesale activity receipt processing performance will, therefore, be measured in two segments:

a. Date materiel is turned over by the carrier to the designated receiving activity to date when storage location/proof of storage is posted in storage activity records. Materiel is considered to be in storage when it reaches the first location (either temporary or permanent) where actual storage control exists through locator data and the materiel can be issued in response to materiel release documentation.

b. Date materiel is turned over by the carrier to the designated receiving activity to date of posting to the ***total item property record***.

2. MILSTRAP performance standards for processing receipts through these time segments are as follows:

a. Receipts from new procurement and redistribution¹ will be processed through segments one and two within 7 calendar days.

b. All other receipts will be processed through segments one and two within 10 calendar days.

3. *Recording asset receipts and making asset records visible from the point of inspection and/or acceptance normally shall be accomplished within 24 hours (holidays*

¹A deviation granted to DLA allows DLA to process redistribution receipts through segments one and two within 10 calendar days.

and weekends excepted). The accounting and finance office shall be notified of the item receipt within the 24-hour period.

4. Report wholesale activity receipt processing effectiveness in the ICE Report, RCS DD-P&L(Q&SA) 935, as prescribed by chapter 7, subparagraph ***1.2.b(2)***. The acceptable DoD performance goals for receipt processing are: percent posted within the time standard, 90 percent; percent stored within the time standard, 90 percent. When computing the overall performance against the above time standards, include receipt transactions frustrated for a long period of time prior to posting/storing.

G. CONTROL OF RECEIPTS

1. Storage activities will establish these receipt control procedures for posting information relating to the status of materiel in the storing cycle. The cycle begins with the release of materiel and documents into custody and control of the receiving activity.

2. After the materiel has been physically received but prior to or concurrent with movement to storage, storage activities will accomplish the following actions:

a. Establish a transaction suspense record to record the materiel as an in-process receipt.

b. Prepare and transmit the materiel receipt transaction to the ICP within the prescribed timeframe (see section F. above).

3. When the storage activity receives requisitions or materiel release orders and there is not sufficient materiel available on the onhand balance of the stock record (physically stored), a check will be made of the in-process receipt suspense file to determine if there is an in-process quantity to fully or partially satisfy the requisition document. When in-process receipts are recorded, fill priority 01-08 requirements from these receipts. Defer the filling of priority 09-15 requirements from in-process receipts until proof of storage is recorded.

4. Storage activities will periodically refer to the suspense file of in-process receipts to expedite the storage of materiel delayed beyond authorized receipt processing timeframes. Expedite the storing of materiel for which issues have been deferred pending storage.

5. After proof of storage is received, storage activities will clear the suspense record, update the storage locator record, and release the deferred issues.

6. As an additional aid in control of receipts, ensure that appropriate storage activity records (e.g., stock locator) reflect the date of the last receipt of an item and storage information (e.g., date of storage or some other code indicating that storage has been reported).

H. SUBMITTING REPORTS OF DISCREPANT/DEFICIENT RECEIPTS

1. In addition to processing and reporting materiel receipts, storage activities will submit reports for all discrepant/deficient receipts in accordance with the procedures and forms prescribed by the following:

a. **DLAI 4140.55/SECNAVINST 4355.18A/AFJMAN 23-215** (AR 735-11-2) (reference (k)).

b. Joint Regulation AR 55-38/NAVSUPINST 4610.33/AFR 75-18/MCO P4610.19/ DLAR 4500.15 (reference (l)).

c. Joint Regulation DLAR 4155.24/AR 702-7/SECNAVINST 4855.5A/ AFR 74-6 (reference (m)).

d. Joint Regulation DLAR 4155.3/AR 30-12/NAVSUPINST 4355.2D/AFR 74-5/MCO 10110.21E (reference (o)).

e. Other DoD and joint or intra-Service/Agency regulations governing discrepancies/ deficiencies not covered by the above.

2. Neither the dollar value nor the timeframes for submitting discrepancy/deficiency reports apply for reporting the materiel receipt to the cognizant ICP. The receipt reporting timeframes are prescribed by section F. above. The procedures for reporting receipt of discrepant/ deficient shipments to the ICP are prescribed by section I. below.

I. PROCESSING DISCREPANT/DEFICIENT RECEIPTS

1. General

a. Upon receipt of all incoming materiel shipments, from procurement and nonprocurement sources, storage activities will research all available documentation and item markings to determine the receipt data (i.e., document number, NSN, or other item identification number, PMR or due-in data, quantity, condition, inspection/acceptance requirements, etc.). Using this data, storage activities will determine if a discrepancy/ deficiency (hereafter referred to as discrepancy or discrepant) exists and will identify its nature.

(1) Not all discrepant receipts require submission of discrepancy reports. Storage activities will follow the section H. procedures to determine whether a discrepancy report must be submitted.

(2) Management Codes R, S, and U have been assigned in appendix B7 for use in receipt transactions to identify discrepant receipts for which the section H. procedures require submission of a discrepancy report. The purpose of the codes is to notify the ICP in advance that a receipt was discrepant and that a discrepancy report is being submitted which will provide additional information relating to the reported item. Codes S and U are entered only for DI Code D4 series receipts and identify vendor caused misdirected shipments and contract overshipments. These discrepancies, which occur more frequently and are more easily resolved than others, are separately identified so ICPs can initiate immediate corrective action before the formal report of discrepancy is received.

(3) When part of a receipt is not affected by a discrepancy requiring submission of a discrepancy report, the following receipt reporting procedures may require storage activities to report the nondiscrepant quantity in a separate transaction without citing the discrepant receipt management code. Additionally, the discrepant receipt management code is not used when special circumstances require the use of another management code (e.g., M for automatic disposal by the storage activity, P for storage activity created document number, or Z for explanatory remarks) even though submission of a discrepancy report is required. Prescribed omission or replacement of the discrepant receipt management code in the receipt transaction does not negate the section H. requirements to submit a discrepancy report.

(4) Never enter the discrepant receipt management code in transactions for discrepant receipts if the section H. procedures do not require submission of a discrepancy report.

b. When materiel is received without accompanying documentation, or with inadequate documentation to process the receipt, storage activities will use one of the following data sources to develop materiel receipt transactions:

- (1) Pre-positioned materiel receipt documents.
- (2) Authorized procurement delivery documents and vendor packing lists.
- (3) Advance copies of DD Forms ***1348-1A***, or DD Forms 1149.
- (4) Transportation and fiscal records.
- (5) Container markings.
- (6) Advice provided by the ICP upon request of the storage activity if receipt documentation cannot otherwise be developed.
- (7) Advice provided by the shipper upon request of the storage activity if receipt

documentation cannot otherwise be developed.

(8) Advice provided by the U.S. Customs Inspector's Office upon request of the storage activity if the receipt documentation cannot otherwise be developed for receipts which passed through customs.

c. Normally when a discrepant receipt is retained in U.S. Government custody, whether or not it is U.S. Government-owned, storage activities will store the materiel, submit a DI Code D4_/D6_ receipt to the cognizant ICP, and hold the materiel pending receipt of disposition. For improbable situations, storage activities will use exception transactions (i.e., code Z in the third position of the DI code and/or Management Code Z in record position 72). In these situations, storage activities will provide to the cognizant ICP a separate written explanation which includes the receipt transaction document number and the discrepancy report number when a discrepancy report was required.

d. If unusual circumstances prevent normal receipt reporting of discrepant shipments, the storage activity will communicate with the ICP or the CAO/PO to determine how the discrepancy report should be submitted and the receipt reported. When the ICP determines that receipt reporting will be delayed pending subsequent action, the storage activity must control the receipt by physically segregating and monitoring the status of the materiel until the receipt is reported or until the ICP directs other disposition (e.g., reshipment, return to shipper, etc.). This paragraph applies only when circumstances exist which prevent normal receipt reporting.

e. Report discrepant receipts on items which have been logistically reassigned as follows:

(1) Report all receipts for which PMRs are established to the LIM or to the GIM under Chapter 11, Logistic Reassignments, procedures.

(2) Research procurement receipts for which no PMR is recorded in coordination with the recorded item manager. The item manager will direct the appropriate reporting of the receipt under Chapter 11, Logistic Reassignments, procedures to assure accurate accountability **and reporting** of the assets is maintained.

(3) Report nonprocurement receipts for which no PMR is established directly to the GIM. The absence of a memorandum due-in will identify the transaction to the GIM as a receipt not-from-due for which transfer/decapitalization is not required.

f. When receipts are reported by a storage activity outside the normal distribution system for the NSN, the ICP will record the receipt so assets are issued from that site first. ICPs will effect disposition of such materiel as quickly as possible. If the materiel is not issuable, the ICP will direct repair induction, reclassification, relocation, or disposal using the appropriate

transaction prescribed by this manual or MILSTRIP (reference (h)).

g. Separate and/or secure storage may be required for procurement discrepancies, discrepancies imposing a health/safety hazard, classified risk, etc. When these situations exist, storage activities will take protective measures in accordance with established DoD or Service/Agency procedures.

2. Receipt Reporting for Discrepant Shipments from Procurement Instrument Sources

a. When acceptance is accomplished at a point other than destination, storage activities may not reinspect supplies at destination for acceptance purposes. However, storage activities will examine such supplies at destination for identity, damage in transit, quantity, and condition (including proper packing/packaging and labeling). The U.S. Government's right to litigate a discrepant receipt is not affected by the point of acceptance. Consequently, storage activities will report discrepancies detected during the destination examination under the regulations cited in section H.

b. Shipment of procurement receipts directly to disposal is not authorized unless unusual circumstances (e.g., health/safety hazard, etc.) exist and separate/secure storage facilities, addressed in subparagraph I.1.g. above, are not available. When unusual circumstances require that materiel be shipped directly to the property disposal activity (or that other disposal actions be taken as prescribed by the Services/Agencies), the storage activity will first report the receipt using a DI Code D4 series, Materiel Receipt transaction, citing Supply Condition Code L and Management Code R (discrepant receipt management code). The disposal action will then be reported using a DI Code DAC, Dual Inventory Adjustment transaction citing Supply Condition Code H and Management Code M (excludes shelf-life materiel) or Management Code T (expired shelf-life materiel).

c. When the receipt cannot initially be identified to an NSN, the procurement instrument and subparagraph I.1.b. sources will be used to identify the item.

d. Unless otherwise allowed by these procedures, storage activities will report discrepant shipments from a procurement instrument source to the ICP using a DI Code D4 series Materiel Receipt transaction, the NSN of the item received, and the applicable ownership/purpose code (normally taken from the DI Code DU series PMR). In receipt transactions for discrepant quantities, cite Supply Condition Code L as noted in the next paragraph. Include Management Code R (discrepant receipt management code) when a discrepancy report was required, except as prescribed in subparagraph I.1.c. or the following subparagraph.

e. Follow the subsequent procedures to report receipt of discrepant shipments from procurement instrument sources (these categories are not mutually exclusive; multiple discrepancy conditions may exist for a single receipt:

(1) Condition of Materiel. Storage activities will report the actual discrepant quantity as a condition L receipt. Report the nondiscrepant quantity in the actual condition received and do not cite a discrepant receipt management code in the transaction.

(2) Supply Documentation. Absence of the supply documentation should not preclude receipt processing and reporting or subsequent issue of the materiel. Storage activities will research in accordance with subparagraph I.1.b. to report the receipt. The section H. discrepancy reporting requirements still apply.

(3) Misdirected Shipments (improperly addressed by the procurement instrument source). Storage activities will contact the cognizant ICP to ensure that the procurement instrument requirements (i.e., inspection, acceptance, etc.) are complied with. Report the total quantity in the actual condition received (normally A) and enter Management Code S in record position 72 of the transaction. Upon receipt of the DI Code D4_ transaction and prior to posting the receipt as available for issue. **Owner/managers** will initiate immediate action to resolve the discrepancy in accordance with the paragraph I.4. procedures. If the ICP or CAO/PO directs reshipment/return of a reported receipt without issuing MILSTRIP (reference (h)) materiel release documentation, the storage activity will submit a reversal (reversal indicator in record position 25) of the previously submitted materiel receipt transaction.

(4) Overage/Duplicate Shipment. Storage activities will research PMR, receipt, and contract documentation to determine the discrepant quantity. Report confirmed duplicate shipments as discrepant condition L receipts. When overages are valued above the contract variance clause, or above the excess delivery clause (after considering any allowable variance), report the overage above the allowable variance as a discrepant condition L receipt and enter Management Code U in record position 72 of the transaction. ICPs will initiate immediate action to resolve the discrepancy upon receipt of the DI Code D4 series transaction (see paragraph I.4.). Overages within the allowable variance or within the excess delivery clause (after considering any allowable variance) are not considered discrepant. Report the total quantity as a single receipt in the applicable condition, and do not cite a discrepant receipt management code in the transaction.

(5) Packaging Discrepancy. Storage activities will report the total discrepant quantity as a condition L receipt. Report any acceptable quantity in the applicable condition and do not cite the discrepant receipt *management code* in the transaction. The ICP and/or the CAO/PO will determine whether litigation is required. If litigation is not required the ICP will request that the suspended assets be transferred to the appropriate condition.

(6) Shortages. Storage activities will research PMR, receipt, and contract documentation to determine the discrepant quantity. For shortages, report the total quantity in the condition received. Except for shortages attributed to transportation discrepancies, the receipt

will be considered discrepant only if the shortage exceeds the allowable contract variance. When the receipt is discrepant, cite the discrepant receipt *management code* in the receipt transaction. The ICP is responsible for initiating followup on delinquent receipts.

(7) Item Technical Data Marking (includes nameplates, logbooks, operating handbooks, special instructions, etc.). Storage activities will report any nondiscrepant quantity as a receipt in the applicable condition without citing the discrepant receipt *management code* in the transaction. Report the discrepant quantity as a condition L receipt, and identify and describe the specific technical data discrepancy in the SF 364 for ICP evaluation. If the ICP determines the assets can be issued, the ICP will initiate action to transfer the suspended assets to the appropriate condition.

(8) Wrong Item. Storage activities will report the total incorrect quantity of the item received in condition L. Report any assets in the shipment which are the correct item in the applicable condition and do not cite the discrepant receipt management code in the transaction. If the majority of the assets are the incorrect item, the storage activity may report the total quantity in condition L based on internal Service/Agency procedure.

(9) Product Quality Deficiency. It is normally preferable for the receiving activity to retain custody of the materiel, whether or not it has been accepted, and report the deficient quantity as a condition L receipt. The ICP or CAO/PO will determine if litigation or informal action with the procurement instrument source should be initiated. If litigation or informal action will not be taken, the ICP will initiate action to transfer the suspended assets to the appropriate condition.

(10) Transportation Discrepancies. When materiel is accepted by the Transportation Officer, the receipt will be processed and reported in accordance with procedures cited above for the type of discrepancy which exists (e.g., subparagraph e.(1), Condition of Materiel, for damage, etc.).

(11) Other Discrepancies. Receipt reporting will depend upon the type of discrepancy involved. When unusual circumstances exist, the receipt and discrepancy reporting requirements provide sufficient time for the storage activity to obtain guidance from the appropriate authority before reporting the receipt or submitting discrepancy report. See subparagraph I.1.d. for storage and accountability requirements.

3. Receipt Reporting for Discrepant Shipments from Non-procurement Instrument Sources

a. When the receipt cannot initially be identified to an NSN, the storage activity will attempt to identify the NSN or usage by following the subparagraph I.1.b. procedures and report the receipt to the cognizant ICP.

(1) If the NSN cannot be identified and the estimated value of the item is under \$100,

storage activities will not report the receipt to an ICP. Ship the materiel directly to disposal using a local document number. Retain an accessible record of the transaction and its backup for two years.

(2) If the NSN cannot be identified and the estimated value of the item is \$100 or more, the storage activity will contact the ICP managing like items to determine disposition. If the ICP can identify the NSN, the ICP will direct the storage activity to submit the receipt and SF 364 to the cognizant ICP. If the ICP cannot identify the NSN, the ICP will provide disposition instructions to the reporting activity. These instructions will include an item identification number (part number, MCN, LCN, etc.) for reporting the receipt and submitting the SF 364. If the ICP directs shipment to disposal, the ICP will maintain an accessible record of the transaction and its backup for 2 years.

b. Unless otherwise allowed by these procedures, storage activities will report discrepant shipments from a nonprocurement instrument source to the ICP using a DI Code D6 series Materiel Receipt, the NSN of the item received, and the applicable ownership/ purpose code (normally from the DI Code DW series PMR). In receipt transactions for discrepant quantities, cite the supply condition code which most accurately describes the condition of the materiel. Classify and report the materiel in condition K when the actual condition cannot be determined. Include Management Code R (discrepant receipt management code) when a discrepancy report was required, except as prescribed in subparagraph I.1.c. above or the following subparagraph.

c. The following procedures apply for reporting receipt of discrepant/deficient shipments from nonprocurement sources (these categories are not exclusive; multiple discrepancy conditions may exist for a single receipt):

(1) Condition of Materiel

(a) When inspection of inter-Service/Agency receipts reveals materiel to be Supply Condition Code H and no PMR is recorded, storage activities will automatically ship discrepant materiel valued at less than \$100 per item direct to the property disposal activity or take other automatic disposal actions based on criteria promulgated by the Services/Agencies. This includes Type I shelf-life materiel which has passed the expiration date regardless of value. When automatic disposal action is taken, cite Supply Condition Code H and Management Code M (excludes shelf-life materiel) or Management Code T (expired shelf-life materiel), in lieu of the discrepant receipt management code, in the receipt transaction for the discrepant quantity.

(b) Report discrepant quantities other than those mentioned above citing the applicable supply condition code, or code K when the condition cannot be determined.

(c) Report receipt of nondiscrepant quantities in the normal manner and do not cite the discrepant management code in the transaction.

(2) Supply Documentation. Absence of the supply documentation should not preclude receipt processing and reporting or subsequent issue of the materiel. Storage activities will research in accordance with subparagraph I.1.b. to report the receipt. The above section H. discrepancy reporting requirements still apply. When the document number in the receipt transaction must be created by the storage activity, cite Management Code P in lieu of the discrepant receipt management code in the transaction.

(3) Misdirected Shipments (improperly addressed by the supply activity). Storage activities will report misdirected shipments as receipts to the cognizant ICP. ICPs will effect disposition using the appropriate MILSTRIP (reference (h)).

(4) Overage/Duplicate Shipment. Storage activities will be unable to identify a receipt as a duplicate. If no PMR is recorded, the storage activity will report the receipt in the applicable condition and cite the discrepant receipt management code in the transaction. ICPs will process such receipts as unauthorized returns or receipts not-from-due. For overages, report the total quantity received as a single receipt in the applicable condition.

(5) Packaging Discrepancy. Storage activities will report the total quantity received as a single transaction in the applicable condition. The storage activity will schedule the discrepant quantity for preservation/packaging in accordance with Service/Agency criteria.

(6) Shortages. For shortages, storage activities will report the total quantity received in the applicable condition. The ICP will initiate any necessary financial adjustment action. The ICP is responsible for initiating followup on delinquent receipts.

(7) Item Technical Data Marking (includes nameplates, logbooks, operating handbooks, special instructions, etc.). Storage activities will report any nondiscrepant quantity in the applicable condition without citing discrepant receipt management code in the transaction. Report the discrepant quantity as a condition D receipt. Identify and describe the specific technical data discrepancy in the SF 364 for ICP evaluation. If the ICP determines the asset can be issued, the ICP will initiate action to transfer the asset to the appropriate condition.

(8) Wrong Item. Storage activities will report the receipt in the applicable condition. If both correct and incorrect items are received in the same shipment, report each separately. Omit the discrepant receipt management code in the transaction for the correct item.

(9) Product Quality Deficiency. Product quality deficiency receipts should be determined based on the supply condition code cited in the PMR. Product quality deficiency receipts from ICP directed returns are not discrepant receipts and will be receipt reported in the normal manner. Do not cite the discrepant management code in the transaction.

(10) Transportation Discrepancies. When materiel is turned over by the Transportation Officer, the receipt will be reported in accordance with the procedures cited above for the type of discrepancy which exists (e.g., condition of materiel for damage, etc.).

(11) Other Discrepancies. Receipt reporting will depend upon the type of discrepancy involved. When unusual circumstances exist, the receipt and discrepancy reporting requirements provide sufficient time for the storage activity to obtain guidance from the ICP before reporting the receipt or submitting the discrepancy report. See subparagraph I.1.d. for storage and accountability requirements.

4. Resolution of Reported Receipt Discrepancies

a. ICPs will maintain accurate records and audit trails for reported receipts with evidence of a supply discrepancy. Resolution of these discrepancies requires the establishment of interfaces among the materiel accountability, procurement, financial accounting, and discrepancy reporting systems.

b. When discrepant receipts are reported, ICPs will process the transactions and effect the research required to resolve the discrepancy. When materiel received from procurement will be retained in the wholesale inventory, coordinate with the CAO/PO for a contract modification which will recoup any administrative costs and any additional second destination transportation costs or onward shipment (redistribution) costs incurred by the U.S. Government as a result of the discrepancy. For all receipt discrepancies, ensure that procurement/supply due-in records and related financial accounts (including intransit) are corrected to reflect any new receipt status and transmit required update PMR(s) to the storage activity(ies) involved. Care must be taken, however, to suppress PMR output if the corresponding receipt has already been reported (e.g., for overages or misdirected shipments being retained where delivered).

5. Management Evaluation and Corrective Action. ICPs will develop management evaluation data for contract overages and vendor caused misdirected shipments for use in identifying trends or indications of system problems and in initiating corrective action. When the same discrepancy is repeatedly reported on shipments from a given procurement source, the ICP through the CAO/PO will advise the source of the error and request action be taken to correct its repeated occurrence. When a procurement source continues to commit the same error, initiate action to consider inclusion on the Awards Review List or other disciplinary action.

J. FOLLOWUP ON RECEIPTS. When a maximum of 45 calendar days have elapsed since the shipping date indicated in shipment notification and receipt has not been confirmed, ICPs will transmit materiel receipt followups to appropriate storage activities. (Extension of the 45 calendar day timeframe is authorized when long intransit times are involved.) Prepare followups on expected receipts from procurement instrument sources in the appendix C40 format citing DI Code DXA. Prepare followups on expected receipts from other than procurement instrument

sources in the appendix C41 format citing DI Code DXB.

K. REPLY TO MATERIEL RECEIPT FOLLOWUPS

1. When materiel has been received, storage activities will respond with a materiel receipt transaction prepared in the appendix C1 or C2 format citing the appropriate DI Code in the D4 or D6 series.

2. When materiel has not been received, the response will be as follows:

a. Prepare replies to DI Code DXA Materiel Receipt Followups (Procurement Instrument Source) in the appendix C42 format citing DI Code DXC.

b. Prepare replies to DI Code DXB Materiel Receipt Followups (Other Than Procurement Instrument Source) in the appendix C43 format citing DI Code DXD.

L. DUE-IN AND RECEIPTS FROM ASSEMBLY, DISASSEMBLY, CONVERSION, MODIFICATION, REPAIR, AND TEST

1. ICPs will record expected receipts as follows:

a. For end items from assembly, conversion, or modification and components from disassembly, establish DI Code DFL Due-Ins (Other Than Procurement Instrument Source) using the appendix C13 format. Excludes return of repaired end items.

b. For end items from repair/testing (excluding items being repaired at a maintenance facility), establish DI Code DDM Due-Ins (Procurement Instrument Source) prepared in the appendix C11 format or DI Code DFM Due-Ins (Other Than Procurement Instrument Source) using the appendix C13 format.

2. Storage activities will report receipts as follows:

a. For end items from assembly, conversion, or modification and components from disassembly, submit DI Code D6L Materiel Receipts (Other Than Procurement Instrument Source) using the appendix C2 format.

b. For end items from repair/testing (excluding items being repaired at a maintenance facility), submit DI Code D4M Materiel Receipts (Procurement Instrument Source) or DI Code D6M Materiel Receipts (Other Than Procurement Instrument Source) using the appendix C1 or C2 format.

c. For returns of unused materiel originally issued for performance of destructive testing,

submit DI Code D6G Materiel Receipts (Other Than Procurement Instrument Source) using the appendix C2 format.

d. When one Service/Agency is repairing items for another Service/Agency, the repairing Service/Agency may by mutual agreement:

(1) Record in the item record under the ownership of the other Service/Agency those reparable items received from activities of the other Service/Agency for repair.

(2) Notify the owning ICP of these receipts by means of DI Code D6A Materiel Receipts (Other Than Procurement Instrument Source) prepared in the appendix C2 format.

M. RECLAIMED ITEMS

1. When reclamation activities do not have adequate facilities to test and classify the serviceability condition of reclaimed assets, they will identify such assets as Supply Condition Code R (Suspended Reclaimed Items Awaiting Condition Determination). When receiving storage activities determine that immediate classification of such condition R assets is not possible, they will ensure that the assets are checked/tested and classified to actual condition within established parameters under chapter 5, paragraph B.3. of this manual.

2. When reclamation activities cite an actual supply condition code (i.e., other than R) for returned materiel, storage activities will cite that condition code when recording and reporting the receipt. However, if inspection upon receipt reveals that the condition assigned by the reclamation activity is incorrect, the storage activity will record and report the receipt citing the actual condition to which the item is classified or condition K if the actual condition cannot be determined. Materiel reported in Supply Condition Code K must be classified to actual condition within established parameters under chapter 5, paragraph B.3.

N. LOAN TRANSACTIONS

1. Use appropriate MILSTRAP adjustment and/or receipt transactions to reflect the onhand/due-in and subsequent receipts. Reflect materiel on loan on accountable activity records in the appropriate purpose code (as prescribed by Service/Agency procedures--usually code L to denote loan) or as a DI Code DFN Due-In (Other Than Procurement Instrument Source) depending on the method/system applied. Alignment and format for these due-in transactions are contained in appendix C13.

2. DI Code DWN Pre-positioned Materiel Receipt Documents (Other Than Procurement Instrument Source) may be used to provide advance notification to activities scheduled to receive returned loaned materiel. Alignment and format for PMRs are contained in appendix C39.

3. Receiving activities will inspect loaned materiel upon receipt. Submit DI Code D6N Materiel Receipts (Other Than Procurement Instrument Source) using the appendix C2 format to provide information about the condition and quantity of the returned loaned materiel.

4. The ICP is responsible for final determination and resolution of Government property returned from loan. Establish controls to ensure the materiel is returned in an appropriate condition, i.e., as good as or better than the condition of the original loan issue. Take appropriate action to resolve any discrepancies and ensure reimbursement to the loaning activity.

CHAPTER 6

MATERIEL RECEIPT ACKNOWLEDGMENT

A. PURPOSE

1. This chapter provides policy and procedures for a DoD automated, closed-loop system to provide accountability and monitor receipt of shipments of DoD and GSA wholesale stocks and DRMS stock which are issued from onhand assets or procured for DVD. These procedures interface with CWT for measuring receipt takeup time by requisitioners and with MILSTRIP (reference (h)) for providing 100 percent shipment status on stock issues, including DVDs.

2. These procedures provide for the control of due-in records below the wholesale level and the interface among the transportation, quality, supply, and financial operations/systems below the wholesale level and between the supply and purchasing operations/systems at the wholesale level to provide proper control over intransit assets and document receipt in the payment files.

B. APPLICABILITY¹

1. These procedures apply to shipment of DoD wholesale stocks and DRMS stocks and in part, to shipments of GSA wholesale stocks—whether pushed or pulled, delivered or picked up, issued from onhand assets or procured for DVD from commercial sources.

2. These procedures, therefore, apply to:

a. All DoD wholesale ICPs and the DRMS.

b. Recipients of DoD and GSA wholesale stocks and DRMS stock—including DoD intermediate/retail level and end use activities; contractors which receive GFM, and defined under DoD 4140.1-R (reference (v)) and implemented in MILSTRIP (reference (h)); DoD ICPs which requisition materiel from GSA, DRMS, or other DoD ICPs; and DoD maintenance facilities which receive items for maintenance when the maintenance activity accountable office assumes property accountability for the inducted items—hereafter called reporting activities.

3. Implementation of the materiel receipt acknowledgment concept is optional for intra-Service/Agency shipments of retail stock. However, DoD Components which choose to

¹For the purpose of this chapter, the DRMS is the DoD ICP for shipments from reutilization and marketing.

implement the concept for such shipments will prescribe use of these procedures.

C. EXCLUSIONS. These procedures are not applicable to the following:

1. Commodities excluded from requisitioning under MILSTRIP (reference (h)), except that receipt of forms and publications requisitioned under reference (h) will be acknowledged.
2. Shipments to Foreign Military Sales and Grant Aid customers except when the shipment concerns an unconfirmed MRO as described in reference (h), chapter 3, section U. (Processing Followups), paragraph 5.
3. Inter-Service/Agency lateral redistributions of retail stock not directed by the Integrated Materiel Manager.
4. Shipments to statue, civil, or federal agency activities.
5. Receipts into DoD wholesale stock which are controlled under chapter 4, including relocations/shipments to contractors, commercial or industrial activities which are receipt reported to the owning ICP. However, when ICPs requisition materiel from another ICP or the DRMS and the receipt is reported under chapter 4, the requisitioning ICP will acknowledge the receipt.
6. Shipments to defense reutilization and marketing which are covered under the MILSTRIP (reference (h)) procedures for intransit control of shipments to DRMOs.
7. Shipments of fresh fruit and vegetables (FF&V).
8. Shipments to Army/Air Force Exchange Service (DoDAACs HX1–, HX2–, HX3–, and HX4–).
9. Navy manual ships.

D. COMMUNICATIONS

1. Chapter 1, section K, states the responsibilities for reporting activities to make arrangements for the preparation and transmission of MILSTRIP transactions. **~~When use of an electrically transmittable document is not feasible, reporting activities will acknowledge materiel receipt by mailing a DD FORM 1486, DoD Materiel Receipt Document (Appendix A3).~~**
2. Reporting activities will direct MRAs to the managing ICP, as identified from the instructions in appendix C26A. The DAAS will pass the MRA to the designated ICP and provide

images to other designated activities based upon Service/Agency rules.

3. ICPs will send all MRA followups to the DAAS for transmission. The DAAS will route MRA followups for U.S. forces to the “ship-to” activity identified by the signal code. If DAAS cannot determine the “ship-to” activity, DAAS will return the document to the ICP for mailing. The DAAS will route MRA followups for security assistance requisitions to the applicable service ILCO based on the entries in record position 30 (Service code) and record position 54 (distribution Code).

E. POLICY

1. Reporting Activities and ICPs shall meet the time limits stated throughout this chapter and summarized in appendix D1.

2. Reporting Activities, excluding ILCOs, shall:

a. Establish supply due-in records for all requisitions (pulled or pushed) being supplies from wholesale stock. It is not required to establish a due-in record when shipment status is received after the materiel has been received.

b. Update (or establish, when no previous record of the due-in/materiel receipt exists) due-in records and estimated delivery dates, based on supply and shipment status received. Establish due-in record estimated delivery dates which equal the appendix D timeframes (i.e., the shipment status release day (DI Code AS_/AU_ record positions 57-59) plus 30 or 90 calendar days for shipments to CONUS or overseas activities, respectively).

c. Post receipts from wholesale stock to a stock record/property, or equivalent, account and acknowledge materiel receipt under these procedures.

d. Whenever materiel is taken into U.S. Government custody at final destination, whether it has been accepted or not, assure that the receipt is posted to the stock record/property, or equivalent, account. Establish any needed interface among the transportation, quality, and supply operations/processes to meet this requirement.

e. Monitor due-in records and report nonreceipt under these procedures when materiel is not received within the timeframes prescribed by Appendix D. MILSTRIP (reference (h)) requires that 100 percent shipment status be sent to all reporting activities so they can meet this requirement.

f. Coordinate with the financial operation/function before clearing a due-in record by any action other than materiel receipt. Maintain an auditable record of all due-in records so cleared.

g. Establish an interface with financial accounting operations/processes to maintain

CH 5
DoD 4000.25-2-M

proper financial accounting control for intransit assets, as prescribed by DoD 7000.14-R (reference (ee))

3. ILCO reporting activities shall screen history records for valid shipment status or coordinate with freight forwarders/customers to determine shipment status/receipt data, for unconfirmed MROs and send an MRA within the timeframes prescribed in appendix D.

4. ICPs shall:

a. Have a closed-loop system to monitor materiel receipt on all shipments of wholesale stock to DoD activities.

b. Control MRA data based on quantity within document number. When the MRA does not match a shipped record, use the data only for quality control/management evaluation purposes. Do not reject MRAs to the submitter.

c. Keep an accessible record or requisitions, by document number and suffix code shipped, until materiel receipt is confirmed, nonreceipt is reported for the quantity shipped, or failure to acknowledge is included in management evaluation reports.

d. Establish an interface between the supply and disbursing functions/operations to provide receipt acknowledgment data for all direct vendor deliveries for documentation of payment files.

e. Consider MRA data in the SDR validation process.

5. DoD Components:

a. Shall establish the internal interface among the logistics, financial, and contracting operations/systems necessary to accomplish the requirements of this chapter. When operations are geographically removed from each other, DoD Components may prescribe use of intra-Service/Agency transactions to accomplish the required interface.

b. May, for intra-Service/Agency shipments, elect to have their shipping activity or CCP create an MRA and send it with the shipment for completion and submission by the reporting activity.

c. May prescribe, where appropriate, that intermediate levels of supply (i.e., organizations that are not the ultimate materiel recipient but maintain due-in records for referred user requisitions) post receipts to their due-in records and acknowledge materiel receipt for the user.

d. May record MRA data in requisition history and use such acknowledgment to close

unconfirmed materiel release orders.

6. GSA will not use the MRA to monitor materiel receipt but will use the data to interface with the discrepancy reporting process. Therefore, GSA will not follow up to reporting activities to request an MRA.

7. Services and Agencies may prescribe additional internal followup requirements using the appendices C26A and C26B formats.

F. PREPARING AND SENDING THE MATERIEL RECEIPT ACKNOWLEDGMENT

1. Reporting activities will submit an MRA when a material receipt is posted to the retail stock record, stock record account, property account, or equivalent record. Also, submit an MRA when due-in dates are reached and materiel has not been received.

a. Send an MRA to the ICP:

(1) Within 5 calendar days of materiel receipt.

(2) 30 calendar days from the release date when a shipment to a CONUS activity has not been received.

(3) 90 calendar days from the release date when a shipment to an overseas activity has not been received.

2. ILCOs in receipt of DI Code ASH pseudo shipment status (see MILSTRIP (reference (h)), chapter 3, section U. (Processing Followups), paragraph 5) will screen history records for valid shipment status. If valid shipment status is not available, ILCOs may coordinate with freight forwarders/customers to determine shipment status/receipt data. Submit an MRA to reflect the shipment status, or receipt data, or nonreceipt within 120 calendar days from the DI Code ASH pseudo shipment status release date.

3. Follow the appendix C26A instructions for preparing the MRA. Send the MRA to the ICP. ***If the reporting activity cannot transmit electrically, prepare a manual MRA using the DD Form 1486, Materiel Receipt Document (appendix A3). Mail the form directly to the ICP. Print "MATERIEL RECEIPT ACKNOWLEDGMENT" in large letters on the mailing envelope.***

4. To acknowledge receipt of a nondiscrepant shipment, submit the MRA leaving record position 63 blank and entering the day posted to the stock record/property, or equivalent, account in record positions 60-62.

5. When a shipped line item (requisition document number and suffix code) is consigned as a split or partial shipment, send an MRA for the shipment segments as they are received. If the total quantity for the shipped line item is not received by the due-in date, report the missing quantity under paragraph F.5.c.

6. To acknowledge receipt of a discrepant/deficient shipment, submit an MRA, except as noted below, with the appropriate discrepancy indicator code (appendix B20) in record position 63. Note that these requirements and timeframes are independent from prescribed shipment tracing and discrepancy/deficiency reporting requirements and timeframes to which the receiving facility must also adhere.

a. If the document number cannot be identified, post the receipt using a local document number. Do not submit an MRA.

b. If the stock number/part number of the item received cannot be fully entered in record positions 8-22, level blank. If stock number/part number cannot be fully entered in record positions 8-22 and is a wrong item or cannot be identified, leave record positions 8-22 blank and enter discrepancy indicator code A in record position 63.

c. For total or partial non-receipt, enter the quantity not received in record positions 25-29, Discrepancy Indicator Code F in record position 63, and the transaction preparation day in record positions 60-62.

d. Except for shortage and partial or total nonreceipt, covered in paragraph F.5.c., enter a code X in record position 63 of the MRA if the discrepancy does not meet discrepancy reporting criteria.

e. When the discrepancy causes the receipt to be posted using more than one transaction (e.g., multiple supply condition codes or multiple stock numbers are received), send an MRA for each transactions posted. If needed, also send an MRA for any quantity not received.

G. FOLLOWUPS FOR DELINQUENT MATERIEL RECEIPT ACKNOWLEDGMENT

1. When materiel shipment is confirmed or when the requisition involves an unconfirmed MRO as described in MILSTRIP (reference (h)) chapter 3, section U. (Processing Followups), paragraph 5, the ICP will monitor for receipt of MRA(s). MRA must be received for the total quantity shipped within 45 calendar days from the date released to carrier for shipments to CONUS activities, within 105 calendar days from the date released to carrier for shipments to overseas activities, or within 135 days from the DI Code ASH pseudo shipment status release date for security assistance requisitions. Otherwise, the ICP will send a DI Code DRF followup, prepared in the appendix C28B format.

2. To answer the followup, the reporting activity will fill out an MRA following the section F

procedures but entering DI Code DRB in record positions 1-3. Send the MRA to the ICP within 15 calendar days from the transaction day in the followup.

3. If a reply is not received within 30 calendar days from the followup transaction days the ICP will include the delinquency information in the management evaluation report (section J). Also, if the requisition involves an unconfirmed MRO (see MILSTRIP (reference (h)), chapter 3, section U. (Processing Followups), paragraph 5.), then the ICP will resolve the record as described in reference (h), chapter 3, section V (Force Closed Materiel Release Confirmation).

H. CORRECTING OR CANCELLING A MATERIEL RECEIPT ACKNOWLEDGMENT

1. Activities which acknowledge a materiel receipt in error will not correct the MRA. However, to assure validation of any SDR for the shipment, the reporting activity must identify the erroneous MRA information in the SDR remarks.

2. When an ICP receives an MRA that does not match a shipment record, or contains errors, the ICP will document the error in the management evaluation report or quality control data, as applicable.

I. QUALITY CONTROL

1. To comply with the requirements of chapter 7, section H, ICPs and reporting activities shall include the evaluation of internal MRA processing in their quality control programs. The following work processes shall be included: accuracy of MRA initiation of followup, submission timeliness, and investigative research to determine and correct processing errors.

2. Command managers shall assign to specific organizations the responsibility for directing and monitoring corrective action. The purpose of the program is to assist management in identifying those human, procedural, or system errors which adversely affect the MRA process or indicate potential deficiencies in the control over intransit assets.

3. Command managers must ensure effective organizational inter-relationships among the functional operations/processes concerned with MRA, such as; supply, procurement, financial, inventory management, transportation, quality assurance, and storage.

J. MANAGEMENT EVALUATION

1. DoD Components shall establish a management evaluation program which monitors and evaluates MRA submission to assure compliance with MRA requirements. Execute timely processing and perform response rate analyses to identify nonresponsive activities and initiate corrective actions.

2. The program shall provide for:

a. **Review of the** MRA Management Information report. **DAASC will prepare the report² and provide access by electronic means. The report content is determined by the Supply PRC.** Each MILSTRAP Focal point is responsible for analysis of the report to identify potential deficiencies in their Service or Agency MRA operations or procedures contributing to breakdowns in internal controls for intransit wholesale stock. MILSTRAP Focal points are responsible for initiating corrective action with delinquent and nonreporting activities.

b. The MRA Management information report shall include as a minimum:

(1) Documentation of Nonresponses for a reporting period to include: the number of qualifying shipments made to an activity (by “ship to” DODAAC); the number of MRA responses received from that activity; the number of Nonresponses.

(2) Breakdown of nonresponses by DVD and stocked shipment to include the number, percentage, and dollar value of each category.

(3) Report of MRAs having a discrepancy indicator; report by shipping activity to indicate total shipments that qualified for an MRA during the report period; total MRAs received with a discrepancy indicator and a subset to identify them by “ship to” activity.

c. The MRA Management Information report will provide the capability to access information by specific categories of DoDAACs such as subsistence, ammunition, contractor, and Army Total Package Fielding. Additionally it will provide the capability to request highlight listing showing DoDAACs with a high number of nonresponses (for example, all DoDAACs with over 500 nonresponses) to assist in identifying organizations not complying with MRA procedures.

3. ICPs shall maintain accessible records of shipments and MRA transactions to support the reporting requirements.

²The MRA Management information report is under development.

CHAPTER 7

PHYSICAL INVENTORY CONTROL

A. GENERAL. This chapter provides procedures, performance objectives, and reporting requirements for maintaining accurate records of the physical inventory, conducting physical inventory counts, and reconciling record variance for materiel within the supply system of the Department of Defense.

1. Applicability. Basic elements of the physical inventory control program prescribed by this chapter apply to the Military Departments and the Defense Agencies, hereafter referred to as DoD Components, and establish:

a. Uniform procedures, based on existing DoD policy, for maintaining accurate records, conducting physical inventories and location surveys/reconciliations, researching inventory discrepancies and causes for adjustments, performance reporting, and for quality control of work processes prescribed by the DoD Physical Inventory Control Program.

b. Management control of all DoD wholesale supply system materiel to include:

- (1)** principal items,
- (2)** packaged petroleum, oil, and lubricants,
- (3)** secondary items regardless of whether assets are purchased with stock fund or procurement appropriations,
- (4)** ammunition,
- (5)** forms and publications, and
- (6)** subsistence.

c. Reporting procedures necessary to measure the effectiveness of physical inventory control in the DoD supply system.

2. Exclusions

a. These procedures are not applicable to bulk petroleum; complete ships, aircraft, ballistic missiles, nuclear weapons, space vehicles; assets located at contractor-owned and/or contractor-operated facilities which are not maintained on the DoD wholesale property accountability records; Industrial Plant Equipment reportable to the Defense Industrial Plant Equipment Center; National Security Agency/Central Security Service assets; and National Defense Stock Pile assets. Loaned materiel and materiel in transit will be accounted for in accordance with chapter 4 of this manual and Service/Agency procedures.

b. Physical inventory control procedures for bulk petroleum are contained in DoD 4140.25-M (reference (r)).

c. Nuclear weapons for which DoD has custodial responsibility. Inventories are in accordance with Joint Publication 6 (reference (s)), Volume II, Joint Reports; Part 4, Nuclear Weapons Reports; Section 5, Stockpile Inventories and Inventory Reports.

B. POLICY. DoD policy is contained in DoD 4140.1-R (reference (v)).

1. Purpose. The purpose of the DoD physical inventory control process is to:

a. Ensure materiel accountability is properly executed within the DoD;

b. Ensure accurate property accountability records for the physical inventory are maintained in support of customer requirements and readiness by performing physical inventories and location surveys/reconciliations;

c. Identify and help resolve problems in supply system work processes affecting property accountability records by performing quality control of the work processes; and

d. Identify repetitive processing errors and maintain accurate records for supply system transactions generated within the supply system by researching and reconciling property accountability record imbalances and potential discrepancies.

2. Philosophy

a. The dynamic nature of the physical inventory control function and the cost of counting and reconciling records requires that the approach be more selective than the "100 percent wall-to-wall total item count" concept. Available inventory resources must be directed toward those potential and actual discrepancies, controlled inventory items, and weapon system critical

items for which the maximum returns will be derived from the resources which are applied.

b. A fundamental requirement of inventory integrity is to implement the technical capability that provides for the total item property record which includes a single shared asset balance maintained by the storage activity.

3. Security of Materiel. Security is the first line of defense for physical inventory control; therefore, DoD Components shall pay special attention to the safeguarding of inventory items. This shall include analysis of loss rates through inventories, financial liability investigation of property loss reports (DD Form 200), and criminal incident reports, to establish whether repetitive losses indicate criminal or negligent activity. Physical security procedures for supply system materiel are contained in DoD 5200.8-R (reference (t)).

4. Asset Management. A single total item property record shall be shared to provide materiel asset information. The total item property record shall, as a minimum, include materiel that is due in, in transit, in organic maintenance facilities, in a contractor's custody, on loan, on hand in distribution centers, reported on hand at retail activities, and for reported assets in the custody of users. The record or record set shall identify the quantity, condition, and value of the item assets for each organizational entity having physical custody of these assets.

5. Maintaining Property Accountability/Responsibility. The property accountability responsibility for segments of the total item property record may be delegated to, but not shared by, one or more organizational entities. However, asset balance information for a particular segment (such as the storage activity balance for an item) will be shared, duplicative records will not be maintained.

a. The storage activity maintains the property accountability record for all materiel in storage and is responsible, as a minimum, for materiel custody, care, receipt, storage, and issue; safeguarding and rewarehousing materiel; physical inventory and research; location survey/reconciliation; quality control checks; supply discrepancy report initiation, research and resolution; investigating and assessing financial liability for loss, damage, and destruction of Government property; and appropriate actions necessary to ensure that the physical on-hand quantity and the total item property record quantity are in agreement.

b. The owning Service or Agency shall assume or assign the accountability for materiel not in the physical custody of a storage activity, including materiel inducted for organic repair, test assembly/disassembly, conversion, modification, or reclamation; materiel in a contractors hands (in accordance with provisions of the FAR (reference (ss))); materiel in transit; materiel on loan, etc.

c. The Integrated Materiel Manager is responsible for initiating and directing the conduct of physical inventories; discrepancy research and reports; resolving discrepancies, investigating, and assessing liability for loss, damaged, and destruction of Government property; and take appropriate actions necessary to ensure that the on-hand quantity and the total item property record quantity are in agreement for all DoD materiel that is not in the physical custody of DoD Activities.

6. End of the Day Processing. Use the following end of the day processing procedures pending the established of single shared asset balances (See paragraphs B.2. and B.4. above.).

End of the day processing shall be accomplished as follows:

(1) Owners/managers and storage activities shall match all active record (i.e., stock numbers which had any transactions affecting record balances) on-hand balances daily. The storage activity shall submit the daily closing on-hand balance to each affected owner/manager using DI Code DZH, Location Reconciliation Request, prepared in the appendix C59 format, citing Type of Location Reconciliation Request Code 1 in record position 7.

(2) Storage activities shall prepare asset status transactions by line item (stock number + supply condition code = line item), type of pack and date packed/expiration date for subsistence, for each record experiencing transactions affecting the balance (including zero balance) and for no physical inventory adjustment required (DI Code D8A with zero quantity) transactions. The storage activity shall also submit DI Code DZM, End of Day Accountable Transaction Count, prepared in the appendix C65 format, to advise the owner/manager of the number of balance affecting transactions that were forwarded during the daily course of business. This transaction is compared to the actual number of transactions received by the owner/manager to identify missing transactions and aid in unreconciled balance (URB) research.

(3) Owners shall match the storage activity asset status to the affected records. Imbalances will be programmatically researched to assure consideration of in-float documents, delayed transactions, and duplicate transactions. For unresolved mismatched quantities, the owner/manager will update the affected record on-hand balance with the storage activity's closing on-hand balance. The mismatched quantity (gains and losses) shall be adjusted with a DI Code D8B/D9B, Inventory Adjustment Increase/Decrease (Accounting Error) transaction.

(4) Owners/managers will request assistance from the storage activity to isolate causes of record imbalances to maintain transaction level integrity. The storage activity assistance should focus on data transmission, e.g., lost transactions, etc.

7. Reconciling Total Item Property Records with Financial Records. Owning Services/Agencies shall reconcile total item property records and financial records as prescribed by DoD 7000.14-R (reference (ee)) to ensure compatibility of the total inventory value reflected by these records and associated reports.

8. Item Management/Control. DoD materiel is managed and controlled by stock number and supply condition code and by type of pack and date packed/expiration date for subsistence; therefore, physical inventories shall be conducted and the results reported to owners/managers by stock number and supply condition code and by type of pack and date packed/expiration date for subsistence.

9. Storage Activity Record Keeping. Storage activities shall maintain quantitative balance records for all materiel on hand regardless of ownership. Storage activities shall maintain transaction histories to support the balance records. Maintenance of these records shall provide the capability to detect theft or diversion of materiel and improve the ability to determine the cause of inventory variances for corrective action.

10. Inventory Prioritization. DoD Components shall select and prioritize items for inventory for which they are accountable as follows:

a. Inventory Sampling. A stratified, hierarchal inventory sample will be accomplished at least once annually for the purpose of validating the accuracy of the accountable record. The results of the sample will be reported in accordance with the stratification and tolerances cited in paragraph B12e.

b. Complete inventories shall be accomplished as follows:

(1) Controlled Inventory Items. The following controlled inventory items (identified in DoD 4100.39-M (reference (II))) require complete physical inventory and do not qualify for use of a random statistical sampling approach:

(a) Top secret.

(b) Narcotics, drug abuse items, and alcohol.

(c) Category I nonnuclear missiles and rockets (semiannually in accordance with DoD 5100.76-M (reference (dd))).

(d) Precious metals.

(e) Small arms.

(f) Radioactive items.

(g) Inert nuclear ordnance materiel.

(h) Other items that may be designated by OSD or the DoD Component.

(2) If ammunition or subsistence is subjected to complete inventory, physical inventory and location survey may be conducted concurrently.

(3) Controlled inventory items not subject to annual complete physical inventory must be subjected to annual random statistical sampling. Acceptable statistical sampling techniques are widely prescribed and may be used so long as every item included in the population has an equal probability of being selected in the sample. The statistical sampling technique must provide reasonable assurance (as a minimum) that the property accountability records are accurate with a 95 percent level of confidence, accuracy level of 85 percent, and a maximum margin of error of 2 percent. If the sample inventory results do not satisfy the above criteria, complete physical inventory of the population from which the sample was selected, will be performed.

c. Inventories for items not designated for complete inventory under subparagraph B.10.b. shall be accomplished as a result of:

(1) Total or partial materiel release denials (spot inventory--see subparagraph C.4.b. and appendix B3, Type of Physical Inventory/Transaction History Code E).

(2) Location reconciliation variances.

(3) Location survey errors.

(4) Owner/manager request (special inventory); or

(5) Selection based on a physical inventory prioritization system¹ that considers characteristics such as weapon system significance; recorded inventory quantity and dollar value; demand quantity, value, and frequency; proximity of anticipated replenishment action; forecasted replenishment quantity and value; and period of time since last inventory. The

1/NOTE: This function is being evaluated by the Joint Physical Inventory Working Group for proposed revision, and has not been implemented in the Distribution Standard System

prioritization system shall be run (as a minimum) quarterly and the results shall be used for scheduling items for physical inventory. Owners/managers shall provide quarterly updates to the variables on the second Thursday of the second month of each quarter. Updated variables will be provided in DI Code DZL, Inventory Prioritization Information, prepared in appendix C62 format. If no updates are received from the owners/managers, the storage activity will use the prior quarter's values. Items selected for inventory through the use of selection systems/models shall not be given priority over items in subparagraphs B.10.a., B.10.b., B.10.c(1), B.10.c(2), and B.10.c(3).

11. Potential Discrepancies. Potential discrepancies between the actual physical count of materiel and the property accountability record on-hand balance shall be researched and resolved in accordance with figure 7-1 (see page 7-32) either by:

- a. Correctly posting supply transactions (e.g., receipts, issues, adjustments, etc.) discovered during the research process that were previously incorrect or unposted resulting in the record imbalance; and/or
- b. Posting an inventory adjustment to correct the record imbalance.

12. Accuracy and Performance Goals. The acceptable DoD accuracy and performance goals are as follows:

- a. Materiel Denial Goal: Not greater than 1 percent.
- b. Receipt Processing Performance Goal: 90 percent stored and posted within MILSTRAP, chapter 4, time standards.
- c. Location Audit Program Goal:
 - (1) Location Survey Accuracy:
 - (a) 97 percent - General Supplies.
 - (b) 98 percent - Ammunition.
 - (2) Location Reconciliation Accuracy:
 - (a) 97 percent - General Supplies.
 - (b) 98 percent - Ammunition.

d. Ammunition Property Accountability Record Accuracy Goal: 95 percent.

e. General Supplies Record Accuracy Goal:

GENERAL SUPPLIES RECORD ACCURACY GOALS STRATIFICATION SUB-POPULATIONS AND ASSOCIATED GOALS AND TOLERANCE LEVELS			
CATEGORY	SUB-POPULATION	RECORDS ACCURACY GOAL	TOLERANCE
A	UNIT PRICE \geq \$1,000	99%	0%
B	UNITS OF ISSUE WHICH MAY BE NONDEFINITIVE OR DIFFICULT TO MEASURE² OR (ON-HAND BAL > 50 AND EXTENDED VALUE < \$50,000) OR NSN ACTIVITY (# transactions affecting balance in one year) > 50	95%	10%
C	DATE OF LAST INVENTORY > 24 MONTHS AND ON-HAND BALANCE < 50	95%	5%
D	ALL OTHER MATERIEL NOT MEETING ABOVE CRITERIA	95%	0%
For submission at time of submission of the 4th quarter fiscal year Inventory Control Effectiveness (ICE) Report (data may be obtained throughout the fiscal year).			
95% Confidence Level $\pm 4\%$ Bound applicable to each category.			

C. PHYSICAL INVENTORY PROCEDURES

² **Applicable Units of Issue: AT, AY, BF, BK, CD, CF, CZ, DZ, FY, FT, FV, GP, GR, HD, KT, LB, MR, OZ, OT, PG, PR, SE, SF, SO, SP, SY, TD, TE, TF, TN, TO, TS, MC, MX, YD**

1. Inventory Program Accomplishment. Storage activities will monitor program accomplishment throughout the fiscal year to ensure that the requirements of paragraph B.10. are met.

2. Preinventory Planning. The potential for count inaccuracies will be reduced by conducting preinventory planning to include:

a. Actions to ensure location integrity by correcting such situations as unbinned/loose materiel; questionable identity of materiel in location; and single locations containing multiple supply condition codes or stock numbers, inadequately labeled shelf-life items (date of manufacture/assembly/pack or date of expiration/inspection/test, as appropriate); and/or materiel lots stored in a single location.

b. Document cleanup to ensure to the extent possible that receipts, adjustments, transaction reversals, and other transactions are posted to the property accountability record and that in-process receipts are stored in location prior to the established physical inventory cutoff date.

3. Scheduled Inventories

a. Storage activities will initiate all scheduled inventories based on item characteristics, specifically the controlled inventory item code and any other category codes designated by DoD Components that require physical inventory not less than once each fiscal year, with DI Code DJA, Physical Inventory Requests, prepared in the appendix C16 format, using Type of Physical Inventory/Transaction History Code G.

b. Storage activities will initiate all scheduled inventories based on selection and prioritization model criteria with DI Code DJA requests, using Type of Physical Inventory/Transaction History Code I.

c. Storage activities will initiate the scheduled random statistical sample inventory to meet the Departments requirement to validate the accuracy of the supply records with DI Code DJA requests using Type of Physical Inventory/Transaction History Code N.

d. Owners may initiate a scheduled random statistical sample inventory of line items owned to determine the overall accuracy of their records with DI Code DJA, using Type of Physical Inventory/Transaction History Code L. Storage activities may also initiate a scheduled random statistical sample inventory of line items in storage to determine the overall accuracy of their records with DI Code DJA, using Type of Physical Inventory/Transaction History Code P.

4. Unscheduled Inventories

a. Owners, AOs, and storage activities will initiate special inventories using DI Code DJA transactions, prepared in the appendix C16 format. If an inventory has not been taken within the past 90 calendar days, cite Type of Physical Inventory/Transaction History Code C, D, J, or K in the transaction. If an inventory has been taken within the past 90 calendar days, an effort will be made to construct a transaction history and from it determine what the item balance should be or what discrepancy may have caused an imbalance. Only when these efforts fail to produce satisfactory results will special inventories be generated. In this case, cite Type of Physical Inventory/Transaction History Code H in the DI Code DJA transaction. The procedure for restricting special inventories may be waived when the inventory manager has recorded backorders for the item involved.

b. Storage activities will initiate spot inventories as a result of a total or partial materiel denial on classified and sensitive items regardless of value, pilferable items when the value of the variance is greater than \$100, and for noncontrolled items variances greater than \$5000. These requests will cite Type of Physical Inventory/Transaction History Code E.

c. Storage activities shall accomplish all requests for spot inventories.

d. Storage activities may initiate unscheduled inventories as a result of on-hand balance mismatches between the locator and property accountability records with DI Code DJA, using Type of Physical Inventory/Transaction History Code M.

5. Canceling Inventories

a. When conditions exist which preclude accurate completion of an inventory which has been established, the inventory will be canceled by the storage activity or the owner/manager. Conditions which may require cancellation include, but are not limited to, catalog changes, rewarehousing of materiel under inventory, insufficient resources, insufficient time to meet established inventory timeframes to notify other affected owners/managers, and acts of God.

b. When an owner/manager cancels an inventory, the owner/manager will notify all affected storage activities using a DI Code DJA Physical Inventory Request citing Management Code N.

c. When a storage activity cancels an inventory, or when an owner/manager requests cancellation of an inventory, the storage activity will notify the requesting owners using the DI Code DJA Physical Inventory Request citing Management Code N. When a canceled inventory is required to meet annual inventory schedule requirements, it must be rescheduled by the storage activity within the current fiscal year. When a spot inventory (Type of Physical Inventory/Transaction

History Code E) is canceled, it must be rescheduled within 15 calendar days.

6. Conducting, Recording, and Reporting the Inventory

a. Physical inventory procedures at storage activities will provide the required asset-to-record accuracy with positive control of materiel and documentation which are in float, including materiel release orders, receipts, condition transfers, catalog and other data changes, etc.

b. The storage activity may reduce the volume of in float accountable documents, during the period required for an item count, by suspending the issue of low priority materiel release transactions from items undergoing inventory. However, materiel will be released for items undergoing inventory when such release is necessary to meet the order/ship timeframes prescribed by DoD 4140.1-R (reference (v)), to include the recognition of the RDD. The storage activity may also reduce the volume of in float accountable documents by deferring routine supply condition code changes, providing the chapter 5 control requirements are complied with.

c. Storage activities will complete physical inventories and transmit the appropriate DI Code D8A/D9A Inventory Adjustments to the owner/manager within 30 calendar days subsequent to the Physical Inventory Cutoff Date (PICD) for scheduled inventories and within 15 calendar days subsequent to the PICD for unscheduled inventories.

d. The storage activity will compare the adjusted count with the balance maintained by the storage activity to determine the potential variance and initiate postcount validation and preadjustment research as required under section D.

e. Immediately upon completion of postcount validation and preadjustment research, the storage activity will record the count and date of last inventory on the storage activity quantitative balance record.

f. When no adjustment is required, the storage activity will update the storage activity record with the date of last inventory and transmit a DI Code D8A with zero quantity for each line item to the owner/manager to indicate completion of the inventory. The owner/manager will update the date of last inventory using the adjustment transaction date.

g. When the storage activity record reflects more than one owner for commingled materiel, the storage activity will apply all gains and losses to the wholesale manager. The storage activity will prorate any losses that cannot be applied to the wholesale manager among all owners having balances. Storage activities will not consider foreign owner balances in the prorating process. Foreign owner and SDAF balances will not be altered unless they are the only remaining balances

for reporting a loss. Resolution of these losses will be in accordance with DoD Security Assistance Program policy.

h. The storage activity will process DI Code D8A/D9A adjustments by line item, and by each date packed/expiration date and type of pack for subsistence, to update the storage activity quantitative balance record and each owner/manager record.

7. Reconciling Manual Records for Controlled Items. When manual records are maintained for control of assets in secured storage, the storage activity, as a minimum, will reconcile these records at the time of inventory with the corresponding storage activity records and physical counts of materiel.

8. Following Up for Physical Inventory Report

a. When the owner/manager has requested an unscheduled inventory and no adjustment or completion transaction has been received within 40 calendar days of the date of the request, the owner/manager will initiate a followup using a DI Code DJA request which cites Management Code X in record position 72 and duplicates the remaining data from the DI Code DJA transaction which established the inventory.

b. The storage activity will respond to the owner/manager followup within 5 calendar days by providing the appropriate adjustment, completion, or cancellation transaction. If an adjustment or completion transaction was previously submitted and a followup is received, the storage activity will reply by submitting a DI Code DJA with Management Code Y to the owner/manager and Transaction History Transmittal (DI Code DZK) reflecting the actual physical inventory adjustment.

c. If the storage activity does not have a record of the owner/manager original DI Code DJA request, the storage activity shall process the DI Code DJA with Management Code X as an original DI Code DJA.

D. RESEARCH OF POTENTIAL OR ACTUAL PHYSICAL INVENTORY ADJUSTMENTS

1. Policy. DoD Components will ensure that potential or actual adjustments are researched in accordance with the value of the adjustment and type of item involved. The DoD criteria for this research are set forth in figure 7-1 (see page 7-32) and will be used as the basis for selective research for supply system materiel. A reduction of the volume of erroneous adjustments can only be achieved by conducting specified degrees of research before posting the adjustment transaction. More stringent research requirements may be imposed by DoD Components based upon the limits of resources available and upon specific asset control problems. However, in no case will adjustments be processed against items without required preadjustment research having

been performed (see figure 7-1, page 7-32).

2. Objectives. Analysis of inventory adjustments is vital in order to:

- a. Identify failures in the control systems so improvements can be made.
- b. Reduce similar discrepancies in the future.
- c. Ensure that the proper adjustment was made.
- d. Evaluate indicators of trends or system problems for corrective action.
- e. Detect negligence, abuse, or theft of materiel. Known or suspected negligence, abuse, or theft will be researched in accordance with DoD 7200.10-M (reference (cc)) and figure 7-1 (see page 7-32).

3. Timeliness of Research. Timely completion of the research of potential adjustments is essential. Delay only increases the complexities of adequate research and reduces the probability of conclusive findings.

a. Storage activity preadjustment research must be completed and the physical inventory adjustment/completion action posted to the owner/manager record within 30 calendar days from the PICD for scheduled inventories and 15 calendar days from the PICD for unscheduled inventories.

b. The storage activity must complete mandatory causative research within 45 calendar days from the date the adjustment transaction was posted. Sample causative research must be completed within 45 calendar days from the date the sample causative research listing is created.

4. Transaction History Requests. For intra-Service/Agency (or inter-Service/Agency, based on agreement of the DoD Components involved) reconciliation, the owner/manager may request transaction history for analyzing inventory discrepancies.

a. The owner/manager will request the history using a DI Code DZJ Transaction History/Custodial Balance Request, prepared in the appendix C60 format, citing in record position 7 the appropriate type of physical inventory/transaction history code from appendix B3. Transaction history will consist of all transactions affecting the balance for the requested timeframe.

b. The storage activity will provide the transaction history data using the DI Code DZK, Transaction History Transmittal, prepared in the appendix C61 format. Transmit the history using

the media specified by the type of media code (see appendix B17) entered in record position 60 of the DI Code DZJ request.

5. Error Classification Coding. Causes of potential/actual inventory adjustments are determined by research. Causes will be classified, analyzed, and evaluated so action may be taken to correct situations that are causing the errors. Error classification codes will be entered in positions 63-65 of DI Code D8A/D9A Inventory Adjustment Transactions.³ For analysis and evaluation, error conditions will be identified to the operation in which they occurred (e.g., receiving, issue, etc.) and classified by type within each operation. For reporting purposes, each operation and each error type have been identified by an alphabetic or numeric code as shown in appendix B18. The error classification system is structured to provide the Services/Agencies the latitude to amplify the DoD defined error classifications; however, DoD Components will summarize internally defined error classifications to the appropriate DoD classification for all reports provided to higher authorities, auditors, etc.

6. Error Cause Feedback and Correction

a. The storage activity will provide a quarterly summary of the causative research results -- as reported by the error cause code -- and provide feedback to the commander of the storage activity concerned. As a minimum, the activity will provide a summary of the number and value of adjustments by error cause codes.

b. Storage activities will use this information in conjunction with other local indicators to identify and correct recurring errors in their operations (e.g., through initiation of training, increased frequency of quality control checks, and other actions as required).

7. Controlled Inventory Item Adjustments. Unresolved physical inventory adjustments for all classified and sensitive items regardless of value, and for pilferable items when the adjustment is in excess of \$2,500, as prescribed by DoD 7200.10-M (reference (cc)), will be referred to security officials of the storage activity at which the adjustment occurred to determine whether there is culpability or when fraud, waste, or abuse is suspected (see figure 7-1, page 7-32).

8. Materiel Release Denials. MILSTRIP (reference (h)) prescribes DoD standard document formats, data codes, and criteria for the preparation and processing of materiel release denials at storage activities and inventory control points.

a. Upon initiation of a materiel release denial citing Management Code 1, 2, 3 (applies to subsistence only), or 4 (applies to subsistence and ammunition only), storage activities will:

³The Integrated Materiel Manager may use the error classification codes in record positions 63-65 in DI Codes D8B/D9B Inventory Adjustment Transactions (Accounting Errors) pending the establishment of single shared asset balances (see paragraphs B.2. and B.4.).

(1) Reverse the issue, adjust the storage activity record on-hand quantitative balance to zero, and transmit a DI Code D9A for the adjusted quantity to the owner/manager attempting to issue the materiel, citing denial Management Code 1, 2, 3, or 4, and a DI Code D9A to any other owners affected by the denial loss, citing denial Management Code Q.

(2) Initiate a spot inventory as required under paragraph C.4(b) of this chapter.

(3) If the inventory results in positive reporting of assets, reverse all or part of the loss that was taken prior to processing any inventory gain transaction and transmit a DI Code D9A reversal to the owner/manager.

b. If an inventory can be accomplished without delaying the processing of the Materiel Release Order beyond the prescribed UMMIPS timeframes (see DoD 4140.1-R (reference (v))), it may be conducted prior to processing a denial transaction.

E. REVERSAL OF INVENTORY ADJUSTMENTS. Reversal of DI Code D8A/D9A Inventory Adjustments is a required capability which must be implemented with proper controls and supported by proper documentation. (See appendix C, introduction, paragraph 3.b., for processing adjustment reversals.) Procedures for reversing adjustments will contain, as a minimum, the following control features:

1. Posted/Unposted Source Documents. Reversals required to correct inventory records when posting previously unposted or incorrectly posted supply transactions (e.g., receipts, issues, etc.), regardless of age, are limited to those transactions that can be properly documented to reference the specific transaction document number(s) that will be processed to offset the reversal.

2. Inventory Adjustment Corrections. Reversals required to correct physical inventory adjustments which were made based on incorrect/incomplete information are limited to two years from the date of the original adjustment unless the requirements of paragraph E.1. are met. All reversals must be properly documented.

3. Limitations. Reversals will not be processed solely on the basis of a previous offsetting physical inventory adjustment.

4. Reporting Requirements. Reversals against transactions processed within the adjustment reporting period will be separated and identified to report:

a. Gross adjustment during the current period,

b. Reversal of prior quarters' adjustment transactions,

c. Reversal of current quarters' adjustment transactions, and

d. Total value of net adjustments during the current period (i.e., value of net gains added to value of net losses).

F. LOCATION AUDIT PROGRAM. Each DoD Component will implement a location audit program which will consist of both a location survey and a location reconciliation.⁴ The DoD acceptable accuracy goals are provided in paragraph B.12.c. The DoD Components may impose more stringent standards internally. The location audit program is subject to the quality control checks delineated in Section H., Quality Control Program. Errors will be subject to validation and research before they are counted as an error. Location audit program results will be reported in the ICE Report as prescribed in paragraph F.1.h. and F.2.b. Only one error per surveyed location and one error per location reconciliation line item with discrepancies is to be reported; however, DoD Components will collect and analyze all type III errors (see paragraphs F.1.h(3) and F.2.b(3)) by element.

1. Location Survey

a. Location survey requires a physical verification, other than actual count, between physical assets and recorded location data to ensure that all assets are properly recorded. When a discrepancy is identified during the location survey program (type I or type II error (see paragraphs F.1.h(1) and F.1.h(2)), the storage activity will conduct prompt research and determine the need for a special inventory (DI Code DJA request with Type of Physical Inventory/Transaction History Code K). In some instances, location survey and physical inventory will be conducted concurrently for ammunition. When location survey and physical inventory are conducted concurrently, both the physical inventory and the location survey performance statistics will be reported separately in the ICE Report.

b. Location survey will be accomplished at each storage activity not less than once each fiscal year, by (1) performing complete location survey of all locations; (2) using a statistical sampling methodology that ensures all locations are included in the sample and has a probability of selection; or (3) a combination of complete and statistical sampling.

c. A location survey will be conducted in both the gaining and losing storage areas following the accomplishment of rewarehousing projects. A location survey conducted as a result

⁴The location reconciliation process will not be required with the establishment of single shared asset balances (see paragraphs B.2. and B.3.).

of rwarehousing projects may be considered to have satisfied the annual survey requirement for the area surveyed.

d. The proper sequence of operating a location survey requires the comparing of assets in storage locations with locator records. This sequence of operation is important to detect assets in unrecorded locations.

e. As an objective, it is desirable to identify items to inventory lots or segments. Lots/segments will be of a manageable size (number of items) to permit location survey in a minimum time period, to ensure maximum uninterrupted service to customers, and to obtain the greatest degree of accuracy from the location survey.

f. Items within a lot/segment which have been subject to a complete item inventory will be considered to have satisfied the annual survey requirement when the entire lot/segment is located in a clearly designated, coterminous warehouse space. These inventoried lots/segments may be excluded from the complete survey for the fiscal year in which they were counted; however, the location survey performance statistics will be reported in the ICE Report.

g. When permanent locations are reserved for items, recorded locations which are unoccupied will be identified and/or verified during the location survey.

h. To measure the accuracy of the results of the location survey, discrepancies will be classified in one of the three categories listed below. Only one error per stock number per location is charged when locator delete, or locator establish, or locator record correction is required for the same location. When the stock number and actual assets differ, the discrepancy will be classified as a locator establish action only.

(1) Locator record deleted. The removal or change of a locator record when there is a recorded location but there are no physical assets -- unless the location is being held open for new receipts. (Type I location survey error.)

(2) Locator record established. The recording of locations when assets are physically found in storage and no locator records exist, or when the recorded stock number disagrees with the materiel in the location. (Type II location survey error.)

(3) Locator record corrected. Changes to the locator record when physical materiel characteristics differ from any of the following data elements (Type III location survey error):

(a) Unit of issue.

(b) Supply condition code.

(c) Controlled inventory item code (see DoD 4100.39-M (reference (II)), Volume 10, Table 61). Verification of the code will consist of ensuring that assets are stored in areas providing the degree of security commensurate with the assigned code.

(d) Type of pack code (for subsistence only). (See MILSTRIP (reference (h)), appendix B23.)

(e) Lot number or serial number (for ammunition only).

(f) Completeness and accuracy of magazine data card (for ammunition only).

(g) To ensure accuracy of property accountability records, special inventories should be performed when assets are found in an erroneous or unrecorded location or when there are mismatches in the unit of issue that may result in a quantity variance.

2. Location Reconciliation⁵

a. Location reconciliation requires a match between storage activity records and owner/manager records in order to identify and to correct situations when there is: (1) an owner/manager record with no corresponding storage activity record, (2) a storage activity record with no corresponding owner/manager record, (3) common elements of data that do not match, and (4) quantity discrepancies. Mismatches will be researched and special inventories conducted when required to effect corrective action.

b. To measure the accuracy of the results of the location reconciliation program, discrepancies will be classified in one of the four categories listed below (report only one error per location reconciliation request or unmatched accountable error):

(1) Owner/manager record reflects balance for storage activity; no location reconciliation transaction received. (Type I location reconciliation error.)

(2) Location reconciliation transaction received from storage activity; no corresponding owner/manager record. (Type II location reconciliation error.)

(3) Mismatch on any of the following data elements (Type III location reconciliation

⁵The location reconciliation process will not be required with the establishment of single shared asset balances (see paragraphs B.2. and B.4.).

error):

(a) Unit of issue.

(b) Ownership/Manager Identifier.

(c) Controlled inventory item code (see DoD 4100.39-M reference (II)), Volume 10, Table 61).

(d) Type of pack code (subsistence only).

(e) Shelf-life code.

(f) Date packed/expiration date (subsistence only).

(4) Quantity discrepancy. (Type IV location reconciliation error.)

c. Location reconciliation will be accomplished by DoD Components in accordance with the following guidance:

(1) Owners/managers and storage activities will reconcile all records annually. The annual reconciliation will be accomplished at the close of business on the second Tuesday of the month in accordance with paragraph F.2.c(3).

(2) Storage activities will prepare location reconciliation request transactions by line item, and by type of pack and date packed/expiration date for subsistence, for each stock number regardless of the balance (including zero balances). Location reconciliation requests will be identified by DI Code DZH, prepared in the appendix C59 format, using Type of Location Reconciliation Request Code 2 in record position 7, and transmitted to the owner/manager. Storage activities preparing DI Code DZH requests will assure that consecutive transaction numbers by RI code are assigned to location reconciliation requests for control purposes.

(3) All owner/manager and storage activity records (active and inactive records, including zero balances) will be reconciled not less than once each fiscal year. Location reconciliation requests will be prepared on the second Tuesday of the month indicated in the following schedule and transmitted prior to the 15th day of the scheduled month.

<u>Service or Agency</u>	<u>Preparation Date</u>	<u>Transmission Date</u>
Army	2nd Tuesday - Jan	Jan 15 th
Navy	2nd Tuesday - Mar	Mar 15 th
Marine Corps	2nd Tuesday - May	May 15 th

CH 5
DoD 4000.25-2-M

Air Force	2nd Tuesday - Jul	Jul 15 th
Defense Logistics Agency	2nd Tuesday - Sep	Sep 15 th

(4) Storage activities and owners/managers will establish the following provisions for controlling location reconciliation:

(a) Storage activities will advise intended recipients (owners/managers) of the number of transactions being forwarded, transmission date, and the medium (DDN, mail, etc.) using DI Code DZN Location Reconciliation Notification transaction (appendix C64).

(b) When transaction history (DI Code DZK Transaction History Transmittal) is required to accompany DI Code DZH, the storage activity will advise intended recipients (owners/managers) of the number of DI Code DZK transactions being forwarded, the cutoff date, and the medium (DDN, mail, etc.) using DI Code DZP Location Reconciliation History Notification transaction (appendix C65).

(c) Owners/managers will use the DI Code DZN and DI Code DZP transactions to determine receipt of all DI Code DZH and DI Code DZK transactions. Where the number of DI Code DZH or DI Code DZK transactions to be transmitted does not match what was actually received, the owner/manager may reject the DI Code DZN or DI Code DZP transaction using DI Code DZG Transaction Reject with Reject Advice Code AY.

(5) In processing location reconciliation requests, owners/managers will match the requests to the owner/manager records. When a mismatch is programmatically unresolved, DI Code D8B/D9B will be processed to adjust the owner/manager records. All Type I, II, and IV mismatches meeting the criteria for causative research (see figure 7-1, page 7-32) will be resolved as follows:

(a) Research of owner/manager active and historical records.

(b) Research of storage activity active/historical record (DI Code DZJ, Transaction History Request, citing Type of Physical Inventory/Transaction History Code X).

(c) Request physical inventory (DI Code DJA, using Type of Physical Inventory/Transaction History Code J).

(d) If the above actions fail to resolve the mismatch, the DI Code D8B/D9B transaction will remain on the owner/manager records.

(6) A physical inventory is not required under the following conditions, except when the

mismatch involves classified or sensitive items, or pilferable items when the extended dollar value of the variance is greater than \$100.

(a) The owner/manager record may be adjusted without special inventory when the extended value of the variance is \$5,000 or less and 10 percent or less of the beginning value of the variant owner/manager record for Type IV, errors (see paragraph F.2.b(4)).

(b) The owner/manager record may be adjusted without special inventory when the extended value of the variance is \$5,000 or less for Type I and Type II errors (see paragraph F.2.b(1) and F.2.b(2)).

(7) When a discrepancy is identified during the location reconciliation program, transmit the following transactions, as appropriate, to the submitting activity:

(a) DI Code DZG Transaction Reject, as prescribed in chapter 9, prepared in the appendix C58 format.

(b) DI Code DZB Storage Item Data Correction, as prescribed in chapter 10, prepared in the appendix C53 format.

G. RETENTION OF ACCOUNTABLE DOCUMENTATION. Audit capability is required for a period of time following the processing of documents and data and completion of the research effort. The following retention criteria will apply:

1. Source Documents. Retain original source documents or facsimiles, i.e., microform (microfilm, microfiche), Compact Disk-Read Only Memory (CD-ROM), etc., for at least 2 years. Where source documents are produced, these include only accountability change documents such as receipts, issues, shipments, transfers, supply condition code changes, and inventory and financial adjustments. Retain source documents providing evidence of shipment to Foreign Military Sales recipients for 2 years from date of materiel shipment.

2. Transaction Histories. Retain registers, records, files, tapes, and data for at least 2 years in a format useful for audit trail purposes. Automated inventory control systems will be designed to facilitate the printout of transaction histories which indicate the date the last physical inventory was conducted for each item.

3. Adjustment Research. Retain backup documentation that directly pertains to individual cases of physical inventory adjustment research efforts for at least 2 years.

4. Annual Statistical Sample. Retain the annual statistical sample inventory line item detail data for at least 2 years.

H. QUALITY CONTROL

1. Goals and Objectives. DoD Components will establish a quality control program at each owner/manager and storage activity which encompasses the objectives of DoD Directive 5010.38 (reference (x)), and the physical inventory objectives contained in DoD 4140.1-R (reference (v)). Portions of the program can be accomplished during ongoing practices within inventory processes. Quality control results will assist management in identifying those human, procedural, or system errors which adversely affect record accuracy and in achieving better control over physical materiel and warehousing practices. Within the scope of this quality control program, those work processes directly related to the control of physical materiel will be monitored for attained quality levels and performance evaluated on improvements, not numerical goals. Accordingly, all quality control programs will include reviews to assess the accuracy/quality of the following work processes:

a. Warehousing practices -- to include checks of storage practices, stock rotation, shelf-life management, identification of materiel in store, mixed stock, location accuracy and rewarehousing projects.

b. Receiving practices -- to include checks of documentation, materiel identity, quantity, and supply condition code; checks for processing timeliness; and verification of daily input data to the location system.

c. Issuing practices -- to include checks of legibility of issue documents; accuracy of stock selection as to identity, quantity, unit of issue, shelf life, supply condition code, and type of pack (subsistence only); marking of outgoing shipments; and release to carriers.

d. Validity of automated data -- to include checks of receipt, issue, and adjustment transaction data entries against input documentation.

e. Inventory practices -- to include checks of inventory counts, location surveys, location reconciliation corrective actions, causative research, and adjustments at both the owner/manager and storage activities.

f. Catalog practices -- to include checks of catalog change processing, accuracy, and timeliness, using the affected recorded locations as the universe.

g. Locator file updates -- to include checking the accuracy of changes posted to the locator file (e.g., all additions, deletions, and changes of unit of issue, supply condition code, shelf life, etc.).

h. Report of discrepancy processing -- to include checks for processing timeliness and checking the accuracy of SDR initiation, followup and reply, investigative research including identification and correction of supply errors, adjustment of accountable and financial records, and preparation of financial liability investigation of property loss reports (DD Form 200).

i. Logistics reassignment processing -- checks to determine if the logistic reassignment actions were completed; e.g., LIM/GIM records were changed to reflect decapitalization/ transfer, LIM directed the storage activity to change the decapitalized/ transferred assets to GIM ownership, the storage activity effected and advised the LIM of the change, and the LIM initiated action to resolve any quantity variances.

j. Suspended asset processing -- to include checks of the timeliness in reclassifying suspended (Supply Condition Codes J, K, L, Q, and R) materiel.

2. Assignment of Responsibility. Whenever possible, quality control checks of these work processes will include identification of the individual performing the tasks. This will facilitate the placement of responsibility for appraising and improving quality with each manager within the chain of command.

3. Command Emphasis. Continued command management emphasis and review of performance are essential for the success of the quality control program. Command managers must ensure effective organizational interrelationships among the functional elements concerned with the physical inventory control program such as: comptroller, data systems, transportation, warehousing, maintenance, quality control, and supply management. The quality control program will include provisions for initiation of corrective action when acceptable quality levels are not met.

I. INVENTORY CONTROL EFFECTIVENESS REPORTING

1. General. Each DoD Component will prepare an Inventory Control Effectiveness Report, as formatted in appendix A6, for general supplies for each quarterly period ending December 31, March 31, June 30, and September 30 for all materiel for which the Component maintains the property accountability record. Army, Navy, and Air Force will also prepare an ICE Report, as formatted in appendix A5, for their service peculiar ammunition. (RCS DD-AT&L(Q)935 applies.) Army will prepare a separate report for the SMCA. DoD Components will:

a. Include a narrative analysis identifying trends, accomplishments, significant comments on internal system performance, description of problems, actions in process or taken to correct the problem and "get-well" dates if the problem is not corrected at the time the ICE Report is submitted. Problems in reporting ICE data should also be highlighted in the ICE Report until the problem(s) is corrected.

b. Reflect inventory control performance for all DoD wholesale supply system assets of principal and secondary items, including package fuels, less all materiel exclusions listed in DoD 4140.1-R (reference (v)).

c. Submit an original and one copy to: DEFENSE LOGISTICS MANAGEMENT STANDARDS OFFICE, ATTN: DLMSO Ste 1834, 8725 JOHN J KINGMAN ROAD, FT. BELVOIR, VA 22060-6217 not later than 75 calendar days following the end of the reported quarter. The above reporting requirement has been assigned Report Control Symbol DD-P&L(Q)935.

2. ICE Report Preparation Instructions for General Supplies. The following instructions are provided for preparing the Inventory Control Effectiveness Report.

a. Report Heading/Columns

(1) Reporting Organization. Enter the name of the reporting DoD Component.

(2) Quarter Ending. Enter the applicable fiscal quarter; 1st, 2nd, 3rd, or 4th. Data entered for the report lines and subcolumns under this column heading reflect only activity occurring during the applicable quarter.

(3) Fiscal Year to Date. Enter the applicable fiscal year.

(4) Columnar Entries. Data entered for the report lines and subcolumns under this column heading reflect cumulative fiscal-year-to-date activity.

b. PART I. Performance

(1) Materiel Denials⁶

(a) Lines Directed for Shipment. Enter the total number of line items directed for shipment (A5_ MRO, A5J DRO, A4_ referral order, A2_ redistribution order).

(b) Total Materiel Release Denials. Enter the total materiel denials (sum of total and partial denials, and warehouse refusals). Include denial transactions classified by denial Management Codes 1, 2, 3 (subsistence only), 4, 5, 6, and 7 (see appendix B7) in the total.

⁶Reported by DLA for materiel stored at DSS locations regardless of ownership.
Reported by Service for material stored at Service depots.

(c) Materiel Denial Rate. Compute this figure by dividing the total denials by the line items directed for shipment and multiplying by 100. $\{(1)(b) / (1)(a) \times 100\}$ The DoD performance goal for the materiel release denial rate is not greater than one percent.

(2) Receipt Processing Performance⁷

(a) Receipts Posted and Stored. Enter the total number of line item receipts posted and stored to the total item property record.

(b) Receipts Posted and Stored on Time. Enter the total number of line item receipts which were effectively posted and stored within the MILSTRAP timeframes. Both storing and posting actions are considered complete when the item is in the storage location, or available for issue, and the quantity is posted to the total item property record.

(c) On Time Receipt Rate. Compute this figure by dividing the total number of receipts posted and stored on time by the total number of receipts and multiplying by 100. $\{(2)(b) / (2)(a) \times 100\}$ The DoD performance goal for posting and storing receipts on time is 90 percent.

(3) Location Audit Program. Reflects the results of the location survey (ratio of accurate storage activity locator records to storage activity locations surveyed) and the location reconciliation ⁸ (ratio of valid storage activity location records to inventory manager's records).

(a) **Locations Surveyed⁹.** Enter the number of storage activity locations surveyed.

(b) Survey Errors. Enter the total number of location discrepancies as defined in paragraph F.1.h. of this chapter (report only one error per stock number per location).

(c) Survey Accuracy. Compute this figure by dividing the locations with discrepancies by the total locations surveyed multiplying by 100, and subtracting the result from 100 percent. $\{100 - ((3)(b) / (3)(a) \times 100)\}$ The DoD goal for location survey accuracy is 97 percent.

⁷Reported by DLA for materiel received at DSS locations regardless of ownership. Reported by Service for materiel received at Service depots.

⁸The location reconciliation process will not be required with the establishment of single shared asset balances (see paragraphs B.2. and B.4.).

⁹Reported by DLA for locations surveyed at DSS locations regardless of ownership. Reported by Service for locations surveyed at Service depots.

(d) Locations Reconciled¹⁰. Enter the total number of location records reconciled (i.e., the sum of line items on the Inventory Manager's record and line items which were not on the Inventory Manager's record but were on the storage activities' records).

(e) Reconciliation Errors. Enter the total number of discrepant location records as defined in paragraph F.2.b. (count one error per location reconciliation request (line item) or unmatched Inventory Manager's record).

(f) Reconciliation Accuracy. Compute this figure by dividing the number of discrepancies by the number of records reconciled, multiplying by 100, and subtracting the result from 100 percent. $\{100 - ((3)(e) / (3)(d) \times 100)\}$ The DoD goal for location reconciliation accuracy is 97 percent.

c. PART II. Physical Inventory and Adjustments

(1) Physical Inventories

(a) Number of Scheduled and Unscheduled Inventories Completed. Enter the total number of line items inventoried (scheduled and unscheduled). Each supply condition code for a stock number at each storage activity is a line item.

(b) Number of Inventories with Variances. Enter the total number of line items inventoried (scheduled and unscheduled) which had an inventory variance.

(c) Inventory Variance Rate. Reflects the percent of line items inventoried which had an inventory variance. Compute this figure by dividing the lines with an inventory variance by the total line items inventoried and multiplying by 100. $\{((1)(b) / (1)(a)) \times 100\}$

(d) Number of Inventories with Major Variances. Enter the total number of line items inventoried (scheduled and unscheduled) which had a major inventory variance (overage or shortage exceeding \$5,000) and all variances on controlled items.

(e) Major Variance Rate. Reflects the percent of line items inventoried which had major inventory variances. Compute this figure by dividing the lines with a major inventory variance by the total line items inventoried and multiplying by 100. $\{((1)(d) / (1)(a)) \times 100\}$

¹⁰Reported by Owner/Manager regardless where materiel is stored.

(2) Number of Adjustments from Other Than Physical Inventories¹¹

(a) Number of Location Reconciliation Adjustments. Enter the number of location reconciliation adjustments (DI Code D8/9B).

(b) Number of End of the Day Processing Adjustments. Enter the number of end of the day processing adjustments (DI Code D8/9B).

(c) Total. Absolute total of adjustments from other than physical inventories. $\{(2)(a) + (2)(b)\}$

(3) Total Adjustments. Enter the sum of number of inventories with variances and the number of adjustments from other than physical inventories. $\{(1)(b) + (2)(c)\}$

(4) Number of Reversals of Inventory Adjustments

(a) Number of Gain Reversals. Enter the number of gain reversals of inventory adjustments.

(b) Number of Loss Reversals. Enter the number of loss reversals of inventory adjustments.

(c) Total. Absolute total of inventory reversals (gains and losses).

(5) Monetary Value

(a) Average Value of Inventory. Enter the average value of on-hand assets as reflected on financial records for the 12 months prior to the report cutoff date (i.e., current quarter plus last three quarters).

(b) Record Value of Items Inventoried. Enter the extended value prior to actual inventory of line items inventoried (scheduled and unscheduled) during the reporting period.

(c) Value of Inventory Adjustments

1 Physical Inventory Adjustments

¹¹The end of day process and location reconciliation process will not be required with the establishment of single shared asset balances (see paragraphs B.2. and B.4.).

CH 5
DoD 4000.25-2-M

a Gains. Enter monetary value of gains resulting from inventory less the monetary value of gain reversals (from current and prior quarters) processed during the report period.

b Losses. Enter monetary value of losses resulting from inventory less the monetary value of loss reversals (from current and prior quarters) processed during the report period.

c Gross Adjustments $\{(5)(c)1 \text{ a} + (5)(c)1 \text{ b}\}$

2 Reversals -- Current Quarter

a Gains. Enter the total monetary value of decreases to the record balances as a result of reversing gain adjustments processed during the reporting period. Compute the FY to Date value for reversal of current quarter gains by adding the Quarter Ending value for reversal of current quarter gains to the prior quarter FY to Date value of reversal of current quarter gains.

b Losses. Enter the total monetary value of increases to the record balances as a result of reversing loss adjustments processed during the reporting period. Compute the FY to Date value for reversal of current quarter losses by adding the Quarter Ending value for reversal of current quarter losses to the prior quarter FY to Date value for reversal of current quarter losses.

c Total. Absolute total of reversals of current quarter gains and losses.
 $\{(5)(c)2 \text{ a} + (5)(c)2 \text{ b}\}$

3 Reversals -- Prior Quarters

a Gains. Enter total monetary value of decreases to record balances as a result of reversing gain adjustments reported in prior quarters. Compute the FY to Date value for reversal of prior quarters gains by adding the quarter ending value for reversal of current quarter gains to the prior quarter gains.

b Losses. Enter total monetary value of increases to record balances as a result of reversing loss adjustments reported in prior quarters. Compute the FY to Date value for reversal of prior quarters' losses to the prior quarter FY to Date value for reversal of prior quarters' losses.

c Total. Absolute total of reversals of prior quarter gains and losses.
 $\{(5)(c)3 \text{ a} + (5)(c)3 \text{ b}\}$

4 Total Reversals. The total of reversals of current quarter and prior quarter gains and losses. $\{(5)(c)2 \text{ c} + (5)(c)3 \text{ c}\}$

5 Total Record Imbalances. The total of gross adjustments and total reversals. $\{(5)(c)1 \text{ c} + (5)(c)4\}$

(6) Gross Adjustments as a Percent of:

(a) Average Value of Inventory. Divide the total value of gross adjustments by the average value of inventory and multiply by 100. $\{((5)(c)1 \text{ c} / (5)(a)) \times 100\}$

(b) Value of Items Inventoried. Divide the total value of gross adjustments by the record value of items inventoried and multiply by 100. $\{((5)(c)1 \text{ c} / (5)(b)) \times 100\}$

(7) Total Record Imbalances as a Percent of:

(a) Average Value of Inventory. Divide the value of the total record imbalances by the average value of inventory. $\{((5)(c)5 / (5)(a)) \times 100\}$

(b) Value of Items Inventoried. Divide the value of the total record imbalances by the record value of items inventoried. $\{((5)(c)5 / (5)(b)) \times 100\}$

(8) Monetary Value of Location Reconciliation¹²

(a) Value of Line Items Reconciled. Enter the extended value of line items reconciled during the reporting period.

(b) Gains. Enter the monetary value of gains resulting from reconciliation during the period.

(c) Losses. Enter the monetary value of losses resulting from reconciliation during the period.

(d) Total. Absolute total of location reconciliation gains and losses. $\{(8)(b) + (8)(c)\}$

(9) Monetary Value of End of the Day Processing

¹²The end of day process and location reconciliation process will not be required with the establishment of single shared asset balances (see paragraphs B.2. and B.4.).

(a) Gains. Enter the value of gains resulting from end of the day processing.

(b) Losses. Enter the value of losses resulting from end of the day processing.

(c) Total. Absolute total of end of the day processing gains and losses. $\{(9)(a) + (9)(b)\}$

3. ICE Report Preparation Instructions for Ammunition

a. Report Heading/Columns

(1) Reporting Organization. Enter the name of the reporting DoD Component.

(2) Quarter Ending. Enter the applicable fiscal quarter, 1st, 2nd, 3rd, or 4th. Data entered for the report lines and subcolumns under this column heading reflect only activity occurring during the applicable quarter.

(3) Fiscal Year To Date. Enter the applicable fiscal year. Data entered for the report lines and subcolumns under this column heading reflect cumulative fiscal year to date activity.

(4) Columnar Entries. Report data separately for high-risk items (Controlled Inventory Item Codes 1, 2, 5, 6, and 8) and low-risk items (Controlled Inventory Item Codes 3, 4, U, and P).

b. PART I. Performance

(1) **Materiel Denials.** Complete as described in paragraphs I.2.b(1)(a), I.2.b(1)(b), and I.2.b(1)(c). For ammunition, include denial transactions classified by denial Management Codes 1, 2, 5, 6, and 7 (see appendix B7) in the total. Components will report denials separately for low-risk and high-risk items.

(2) **Receipt Processing Performance.** Complete as described in paragraphs I.2.b(2)(a), I.2.b(2)(b), and I.2.b(2)(c). The DoD goal for posting and storing ammunition receipts on time is 90 percent.

(3) Location Audit Program. Complete as described in paragraphs I.2.b(3)(a), I.2.b(3)(b), I.2.b(3)(c), I.2.b(3)(d), and I.2.b(3)(f). The DoD goals for location survey accuracy and location reconciliation accuracy for ammunition are 98 percent.¹³

c. PART II. Physical Inventory and Adjustments

(1) Physical Inventories.

(a) Number of Scheduled and Unscheduled Inventories Completed. Enter the total number of line items inventoried (scheduled and unscheduled). Each supply condition code for a stock number at each storage activity is a line item.

(b) Number of Inventories with Variances. Enter the total number of line items inventoried (scheduled and unscheduled) which had an inventory variance.

(c) Inventory Record Accuracy. Reflects the percent of lines inventoried without an inventory variance. Compute this figure by dividing the lines with an inventory variance by the total lines inventoried and multiplying by 100, and subtracting the result from 100 percent. $\{100 - ((1)(b) / (1)(a)) \times 100\}$ The DoD inventory record accuracy goal for ammunition is 95 percent.

(2) Number of Inventory Adjustments from Other Than Physical Inventories. Complete same as paragraph I.2.c(2).

(3) Total Inventory Adjustments. Complete same as paragraph I.2.c(3).

(4) Number of Reversals of Inventory Adjustments. Complete same as paragraph I.2.c(4).

(5) Monetary Value. Complete same as paragraphs I.2.c(5)(a) through I.2.c(5)(c)5.

(6) Gross Adjustments As a Percent of: Complete same as paragraphs I.2.c(6)(a) and I.2.c(6)(b).

(7) Total Record Imbalances As a Percent of: Complete same as paragraphs I.2.c(7)(a) and I.2.c(7)(b).

(8) Monetary Value of Location Reconciliation.¹⁴ Complete same as paragraphs I.2.c(8)(a) through I.2.c(8)(d).

¹³The location reconciliation process will not be required with the establishment of single shared asset balances (see paragraphs B.2. and B.4.).

¹⁴The end of day process and location reconciliation process will not be required with the establishment of single shared asset balances (see paragraphs B.2. and B.4.).

(9) Monetary Value of End of the Day Processing.⁸ Complete same as paragraphs I.2.c(9)(a) through I.2.c(9)(c).

MINIMUM RESEARCH REQUIREMENTS FOR POTENTIAL OR ACTUAL PHYSICAL INVENTORY ADJUSTMENTS				
CONDITION OF DISCREPANCY		REQUIRED RESEARCH		
		Post Count Validation	Preadjustment Research	Causative Research
1.	≤ \$1,000	NO	NO	NO
2.	> \$1,000 but ≤ \$5,000 and ≤ 10 percent unit variance	YES	NO	NO
3.	> \$1,000 but ≤ \$5,000 and > 10 percent unit variance	YES	YES	NO
4.	> \$5,000 but ≤ \$16,000 and ≤ 25 percent unit variance	YES	YES	SAMPLE
5.	> \$5,000 but ≤ \$16,000 and > 25 percent unit variance	YES	YES	YES
6.	> \$16,000	YES	YES	YES
7.	Controlled Inventory Item	YES	YES	YES ¹⁵
8.	Suspected Fraud, Waste, or Abuse	YES	YES	YES

Figure 7-1

¹⁵Sample causative research in lieu of complete causative research for pilferable, **and CIIC 7**, item discrepancies with a value from \$.01 to \$2,500 may be accomplished to serve as a deterrent to fraud waste or abuse and to identify systemic inventory and security problems. Causative research will be conducted on all adjustments (gains and losses) of classified and sensitive items regardless of dollar value of item or extended dollar value of adjustment. Causative research will be conducted on all adjustments (gains and losses) of pilferable items, **and CIIC 7 items**, with an extended value greater than \$2,500, and all adjustments with an extended value of greater than \$16,000 or greater than 25 percent unit variance and greater than \$5,000.

APPENDIX A

FORMS AND REPORTS

INDEX

<u>INDEX</u>		<u>PAGE</u>
APPENDIX A1	DD Form 1348m, "DoD Single Line Item Requisition System Document (Mechanical)".....	A1-1
APPENDIX A2	Reserved for Future DoD Assignment	
APPENDIX A3	<i>Reserved for Future DoD Assignment DD Form 1486, "DoD Materiel Receipt Document" -- Canceled</i>	
APPENDIX A4	<i>Reserved for Future DoD Assignment DD Form 1487, "DoD Materiel Adjustment Document" -- Canceled</i>	
APPENDIX A5	<i>DD Form 2338-1, "Inventory Control Effectiveness Report (Ammunition)".....</i>	A5-1
APPENDIX A6	<i>DD Form 2338-2, "Inventory Control Effectiveness Report (General Supplies)".....</i>	A6-1

APPENDIX A

FORMS INTRODUCTION

1. The forms and reports prescribed for use in MILSTRAP are as described below and as illustrated in the following appendices.
2. The basic considerations in design of the forms are explained as follows:
 - a. The forms, although separately identified, are designed for a complete system and therefore complement one another as to the placement of data and captions.
 - b. The forms are designed for data entries by means of machines, typewriter, ballpoint pen, or pencil.
 - c. The forms are designed to facilitate the conversion of written data entries to a machine readable, fixed-length format in any organizational element of the supply system.
3. DD Form I348m, DoD Single Line Item Requisition System Document (Mechanical) (Appendix A1).
 - a. This form is used as:
 - (1) Requisition or Requisition Modifier
 - (2) Followup
 - (3) Passing Order
 - (4) Cancellation
 - (5) Supply Status
 - (6) Request for Improved ESD
 - (7) Shipment Status
 - (8) Materiel Release Order or Materiel Release Order Modifier

CH 5
DoD 4000.25-2-M

- (9) Referral Order
- (I0) Redistribution Order
- (II) Materiel Release Confirmation
- (I2) Materiel Release Denial (Warehouse Refusal)
- (I3) Materiel Obligation Validation Request
- (I4) Materiel Obligation Validation Response
- (I5) Notice of Availability
- (I6) Issue Transaction

b. Only one form is provided for multiple formats with control of a specific format maintained by means of the document identifier code.

c. The 1348m document data entries will differ depending upon the type of transaction involved. Due to the numerous data entries prescribed for entry in record positions 67-80 (depending upon the transaction), the caption on the bottom line is "VARIABLE DATA ELEMENTS DEPENDING ON DOCUMENT IDENTIFIER CODE."

d. The 1348m is designed primarily for electrical transmission and mechanical processing, with single line interpretation. However, a second line interpretation capability has been included to provide flexibility. When the second line is used, the document number, demand/ suffix code, supplementary address, and signal code will be identified on the first line.

e. Data blocks in the body of the form consider the requirement of organizations using manual procedures. Data blocks A and B, which are included on the manual form, are not required on the mechanical form and therefore the first block provided on the latter form is identified by "C" and continues with data blocks identical to those included on the manual form. The data blocks identified with numerics I through 80 are provided for entry of written data corresponding to the top line captions pertaining to a requisition. Blocks D through K are included for entry of data by processing points and pertain to requisition editing and status preparation. Blocks C and L through W are utility blocks to accommodate local requirements.

4. DD Form 2338-1 and DD Form 2338-2, ICE Report (Appendices A5 and A6).

INVENTORY CONTROL EFFECTIVENESS (ICE) REPORT AMMUNITION <i>(Dollar Data Expressed in Thousands)</i>			REPORT CONTROL SYMBOL DD-A&L(Q)935	
REPORTING ORGANIZATION	QUARTER ENDING:		FISCAL YEAR:	TO DATE
	Low risk	High Risk	Low Risk	High Risk
PART 1. PERFORMANCE				
1. MATERIEL RELEASE DENIALS				
A. LINES DIRECTED FOR SHIPMENTS				
B. TOTAL MATERIEL RELEASE DENIALS				
C. MATERIEL DENIAL RATE ((1B/1A)X100)				
2. RECEIPT PROCESSING				
A. RECEIPTS STORED AND POSTED				
B. RECEIPTS STORED AND POSTED ON TIME				
C. ON TIME RECEIPT RATE ((2B/2A)X100)				
3. LOCATION AUDIT PROGRAM				
A. LOCATIONS SURVEYED				
B. SURVEY ERRORS				
C. SURVEY ACCURACY (100-((3B/3A)X100))				
D. LOCATIONS RECONCILED				
E. RECONCILIATION ERRORS				
F. RECONCILIATION ACCURACY (100-((3E/3D)X100))				
PART 11. PHYSICAL INVENTORY ADJUSTMENTS				
1. PHYSICAL INVENTORIES				
A. NO. OF SCHEDULED AND UNSCHEDULED INVENTORIES COMPLETED				
B. NO. OF INVENTORIES WITH VARIANCES				
C. INVENTORY RECORD ACCURACY (100-(1B/1A)X100))				
2. NO. OF INVENTORY ADJUSTMENTS FROM OTHER THAN PHYSICAL INVENTORY				
A. LOCATION RECONCILIATION				
B. END OF DAY PROCESSING				
C. TOTAL (2A + 213)				
3. TOTAL ADJUSTMENTS (1B+2C)				
4. NO. OF REVERSALS OF INVENTORY ADJUSTMENTS				
A. NO. OF GAIN REVERSALS				
B. NO. OF LOSS REVERSALS				
C. TOTAL (4A + 4B)				

Report continues on next page

CH 5
DoD 4000.25-2-M

ICE Report Ammunition <i>(Continued from previous page)</i>				
	Low Risk	High Risk	Low Risk	High Risk
5. MONETARY VALUE (\$000)				
A. AVERAGE VALUE OF INVENTORY				
B. RECORD VALUE OF ITEMS INVENTORIED				
C. VALUE OF INVENTORY ADJUSTMENTS				
(1) PHYSICAL INVENTORY ADJUSTMENTS				
(A) GAINS				
(B) LOSSES				
(C) GROSS ADJ. (5C(1)(A) + 5C(1)(B))				
(2) REVERSALS - CURRENT QUARTER				
(A) GAINS				
(B) LOSSES				
(C) TOTAL (5C(2)(A)+5C(2)(B))				
(3) REVERSALS - PRIOR QUARTER				
(A) GAINS				
(B) LOSSES				
(C) TOTAL (5C(3)(A)+5C(3)(B))				
(4) TOTAL REVERSALS (5C(2)(C) + 5C(3)(C))				
(5) TOTAL RECORD IMBALANCES ((5C(1)(C) + 5C(4))				
6. GROSS ADJUSTMENT AS A PERCENT OF				
A. AVERAGE VALUE OF INVENTORY ((5C0)(C)/5A)X100				
B. VALUE OF ITEMS INVENTORIED ((5C0)(C)/5B)X100				
7. TOTAL RECORD IMBALANCES AS PERCENT OF				
A. AVERAGE VALUE OF INVENTORY ((5C(5)/5A)X100)				
B. VALUE OF ITEMS INVENTORIED ((5C(5)/5B)X100)				
8. MONETARY VALUE OF LOCATION RECONCILIATION				
A. VALUE OF ITEMS RECONCILED				
B. VALUE OF GAINS				
C. VALUE OF LOSSES				
D. TOTAL(8B+8C)				
9. MONETARY VALUE OF END OF DAY PROCESSING				
A. VALUE OF GAINS				
B. VALUE OF LOSSES				
C. TOTAL(9A+9B)				

INVENTORY CONTROL EFFECTIVENESS (ICE) REPORT GENERAL SUPPLIES <i>(Dollar Data Expressed in Thousands)</i>		REPORT CONTROL SYMBOL DD-A&L(Q)935
REPORTING ORGANIZATION	QUARTER ENDING:	FISCAL YEAR: TO DATE
PART 1. PERFORMANCE		
1. MATERIEL RELEASE DENIALS		
A. LINES DIRECTED FOR SHIPMENTS		
B. TOTAL MATERIEL RELEASE DENIALS		
C. MATERIEL DENIAL RATE ((1B/1A)X100)		
2. RECEIPT PROCESSING		
A. RECEIPTS STORED AND POSTED		
B. RECEIPTS STORED AND POSTED ON TIME		
C. ON TIME RECEIPT RATE ((2B/2A)X100)		
3. LOCATION AUDIT PROGRAM		
A. LOCATIONS SURVEYED		
B. SURVEY ERRORS		
C. SURVEY ACCURACY (100-((3B/3A)X100))		
D. LOCATIONS RECONCILED		
E. RECONCILIATION ERRORS		
F. RECONCILIATION ACCURACY (100-((3E/3D)X100))		
PART 11. PHYSICAL INVENTORY ADJUSTMENTS		
1. PHYSICAL INVENTORIES		
A. NO. OF SCHEDULED AND UNSCHEDULED INVENTORIES COMPLETED		
B. NO. OF INVENTORIES WITH VARIANCES		
C. INVENTORY VARIANCE RATE ((1B/1A)X100)		
D. NO. OF INVENTORIES WITH MAJOR VARIANCES (> \$5000)		
E. MAJOR VARIANCE RATE ((1D/1A)X100)		
2. NO. OF INVENTORY ADJUSTMENTS FROM OTHER THAN PHYSICAL INVENTORY		
A. LOCATION RECONCILIATION		
B. END OF DAY PROCESSING		
C. TOTAL (2A + 213)		
3. TOTAL ADJUSTMENTS (1B+2C)		
4. NO. OF REVERSALS OF INVENTORY ADJUSTMENTS		
A. NO. OF GAIN REVERSALS		
B. NO. OF LOSS REVERSALS		
C. TOTAL (4A + 4B)		

Report continues on next page

CH 5

DoD 4000.25-2-M

ICE Report General Supplies (Continued from previous page)		
5. MONETARY VALUE (\$000)		
A. AVERAGE VALUE OF INVENTORY		
B. RECORD VALUE OF ITEMS INVENTORIED		
C. VALUE OF INVENTORY ADJUSTMENTS		
(1) PHYSICAL INVENTORY ADJUSTMENTS		
(A) GAINS		
(B) LOSSES		
(C) GROSS ADJ. (5C(1)(A) + 5C(1)(B))		
(2) REVERSALS - CURRENT QUARTER		
(A) GAINS		
(B) LOSSES		
(C) TOTAL (5C(2)(A)+5C(2)(B))		
(3) REVERSALS - PRIOR QUARTER		
(A) GAINS		
(B) LOSSES		
(C) TOTAL (5C(3)(A)+5C(3)(B))		
(4) TOTAL REVERSALS (5C(2)(C) + 5C(3)(C))		
(5) TOTAL RECORD IMBALANCES (5C(1)(C) + 5C(4))		
6. GROSS ADJUSTMENT AS A PERCENT OF		
A. AVERAGE VALUE OF INVENTORY ((5C(1)(C)/5A)X100)		
B. VALUE OF ITEMS INVENTORIED ((5C(1)(C)/5B)X100)		
7. TOTAL RECORD IMBALANCES AS PERCENT OF		
A. AVERAGE VALUE OF INVENTORY ((5C(5)/5A)X100)		
B. VALUE OF ITEMS INVENTORIED ((5C(5)/5B)X100)		
8. MONETARY VALUE OF LOCATION RECONCILIATION		
A. VALUE OF ITEMS RECONCILED		
B. VALUE OF GAINS		
C. VALUE OF LOSSES		
D. TOTAL(8B+8C)		
9. MONETARY VALUE OF END OF DAY PROCESSING		
A. VALUE OF GAINS		
B. VALUE OF LOSSES		
C. TOTAL(9A+9B)		

APPENDIX B - CODES

INDEX

	<u>PAGE</u>
APPENDIX B1 Document Identifier Codes.....	B1-1
APPENDIX B2 Reserved	
APPENDIX B3 Type of Physical Inventory/Transaction History Codes.....	B3-1
APPENDIX B4 Ownership Codes.....	B4-1
APPENDIX B5 Purpose Codes.....	B5-1
APPENDIX B6 Federal Condition Codes.....	B6-1
APPENDIX B7 Management Codes.....	B7-1
APPENDIX B8 Correction/Change Codes for Storage Item Records.....	B8-1
APPENDIX B9 Reject Advice Codes.....	B9-1
APPENDIX B10 Asset Status/Transaction Reporting Codes.....	B10-1
APPENDIX B11 Asset Transfer Status Codes.....	B11-1
APPENDIX B12 Special Program Requirement Status Codes.....	B12-1
APPENDIX B13 Small Arms Transaction Codes.....	B13-1
APPENDIX B14 Small Arms Error Transaction Reject Codes.....	B14-1
APPENDIX B15 Reserved	B15-1
APPENDIX B16 Request Codes (Asset Support Requests).....	B16-1
APPENDIX B17 Type of Media Codes.....	B17-1
APPENDIX B18 Error Classification Codes.....	B18-1
APPENDIX B19 Other Codes.....	B19-1
APPENDIX B20 Discrepancy Indicator Codes	B20-1

	<u>PAGE</u>
APPENDIX B21 Reserved (for Date Packed/Expiration Date Indicator Codes)	B21-1
APPENDIX B22 Reserved	
APPENDIX B23 Reserved	
APPENDIX B24 Reserved	
APPENDIX B25 Type Inspection Codes.....	B25-1
APPENDIX B26 Review Period Indicator Codes.....	B26-1
APPENDIX B27 Reserved	
APPENDIX B28 Competitive Characteristics Codes.....	B28-1
APPENDIX B29 Type of Contractor Codes.....	B29-1
APPENDIX B30 Type Due-in Indicator.....	B30-1
APPENDIX B31 <i>Type Location Reconciliation Request</i>	B31-1

APPENDIX B1

DOCUMENT IDENTIFIER CODES

NUMBER OF CHARACTERS: Three

TYPE OF CODE: Alpha/Numeric

EXPLANATION: Identifies:

- (1) Actions as forming a part of the inventory accounting system.
- (2) The type of document and the effect a transaction has upon inventory control records.
- (3) The specific relation of various inventory transactions to appropriation fund and stock fund financial statements.

RECORD POSITIONS: 1-3

a. The DI codes provide a means of identifying a given product (e.g., receipt, issue, demand, inventory count, inventory adjustment, etc.) to the logistics system and processing operation(s) to which it pertains and further identifies such data as to the intended purpose, usage, and operation dictated. The DI code enables automatic data processing equipment to select the appropriate program(s) and to mechanically perform operations dictated by the code, and provides a corresponding function for manual processing.

b. The DI code is a mandatory entry on all documents entering and leaving the supply distribution systems under MILSTRAP. Each transaction, therefore, will be identified by an appropriate code. The assignment of the first character of the code is a responsibility of DoD.

c. The following rationale is applicable to DI codes pertaining to MILSTRAP distribution system(s):

- (1) The first record position will always be an alpha.

CH 5
DoD 4000.25-2-M

(a) Alpha D identifies transactions relating to inventory accounting system(s) irrespective of Service/Agency or systems within a Service/Agency.

(b) Alpha E, in lieu of D, identifies MILSTRAP simulated mobilization exercise transactions which will not automatically affect materiel asset records or physical movement of materiel. Services/Agencies responsible for initiating exercises must ensure complete coordination with all DoD Components involved. The following series of codes applicable for MILSTRAP, MILSBILLS (reference (oo)), MILSTAMP (reference (rr)), and MILSTRIP (reference (h)) are permanently reserved for simulated mobilization exercise purposes only:

- 1 MILSTRAP---E Series
- 2 MILSBILLS---H Series
- 3 MILSTAMP---R Series
- 4 MILSTRIP----U Series

(c) Alphas B and X identify transactions relating to inventory control system(s) within Services/Agencies. Each Service/Agency may develop and assign these codes, but they will be confined to intra-Service/Agency use only.

(d) Alpha C identifies transactions relating to the DLA inventory control system and are confined to intra-DLA use only.

(e) Alphas Y and Z are authorized for Service/Agency assignment to identify transactions need for internal depot, supply source, or base operations when they cannot be identified directly to the preceding subparagraph (a), (b), (c), or (d) and when they are not universal in scope and application. Transactions containing Y and Z in the first record position may never appear on any documents passed beyond the confines of a base, depot, ICP, or equivalent.

(2) The second record position may be either alpha or numeric. A numeric entry denotes a transaction which affects an on hand balance and shows the general nature of the transaction. An even number denotes a receipt or debit; an odd number denotes an issue or credit. An alpha entry, excluding DI Code DAC, DAD, or DAS, denotes a transaction which does not affect the overall or total on hand balance.

(3) The third record position may be either alpha or numeric.

d. DI codes are listed on the following pages. Unassigned codes in the D series are reserved for future assignment by DoD.

<u>CODE</u>	<u>DOCUMENT TITLE</u>	<u>EXPLANATION</u>
D4M	Materiel Receipt - Procurement Instrument Source (Repair/Testing)	To depot inventory as a result of return of repaired/tested end items previously sent to a commercial/Government facility.
D4S	Materiel Receipt -Procurement Instrument Source (Commercial)	To depot inventory as a result of purchase from commercial sources.
D4U	Materiel Receipt - Procurement Instrument Source (DoD Activity)	From procurement instrument source to depot inventory as a result of purchase from another DoD activity, including purchases from Government production facilities where procurement funds are charged.
D4V	Materiel Receipt -Procurement Instrument Source (Non-DoD Activity)	From procurement instrument source to depot inventory as a result of purchase from a non-DoD activity, including purchase from Government production facilities where procurement funds are charged.
D4X	Materiel Receipt -Procurement Instrument Source (Decapitalization)	From LIM to GIM as notification of receipt of an item decapitalized. Indicates to GIM: (a) that due-in and financial records of loser have been updated and (b) that memorandum due-in is to be updated.
D4Z	Materiel Receipt - Procurement Instrument Source (Other)	To depot inventory when a specific DI code is not known. (Assignor of this code will maintain intelligence pertaining to its use and, as required, will furnish these data.)
D6A	Materiel Receipt - Other Than Procurement Instrument Source (Own Service/Agency)	Returns from own Service/Agency users into depot inventory. Excludes receipts of end items from repair activity.
D6B	Materiel Receipt - Other Than Procurement Instrument Source (DoD Activities)	Returns from other DoD activity users into depot inventory. Excludes receipts of end items from repair activity.
D6C	Materiel Receipt - Other Than Procurement Instrument Source (Non-DoD Activities)	Returns from non-DoD activity users into depot inventory. Excludes receipts of end items from repair activity.

CH 5
DoD 4000.25-2-M

<u>CODE</u>	<u>DOCUMENT TITLE</u>	<u>EXPLANATION</u>
D6D	Materiel Receipt - Other Than Procurement Instrument Source (Grant Aid)	Returns from MAP Grant Aid users into depot inventory.
D6E	Materiel Receipt - Other Than Procurement Instrument Source (FMS)	Returns from FMS users into depot inventory.
D6G	Materiel Receipt - Other Than Procurement Instrument Source (Test/ Evaluation)	Returns from destructive test and/or evaluation to depot inventory of unused materiel originally issued for performance of destructive testing and/or evaluation.
D6H	Materiel Receipt - Other Than Procurement Instrument Source (Government-Furnished Materiel)	Returns to depot inventory as a result of GFM not consumed in manufacture of an end item. Excludes return of end items from repair.
D6J	Materiel Receipt - Other Than Procurement Instrument Source (Reutilization and Marketing)	Returns from property disposal to depot inventory.
D6K	Materiel Receipt - Other Than Procurement Instrument Source (Relocation)	Relocation of assets between installations under control of the same item manager without change in its management responsibility. Excludes receipts of repaired end items.
D6L	Materiel Receipt - Other Than Procurement Instrument Source (Assembly/Disassembly/ Conversion/Modification)	Returns from assembly/disassembly/ conversion/modification into depot inventory as a result of: (a) return of assembled end items, (b) return of components from disassembled end items, and (c) return of converted or modified end items. Excludes return of repaired end items.
D6M	Materiel Receipt - Other Than Procurement Instrument Source (Repair/Testing)	Returns into depot inventory as a result of return of repaired/tested items previously sent to a commercial/Government facility.
D6N	Materiel Receipt - Other Than Procurement Instrument Source (Loan)	Returns of materiel on loan into depot inventory from authorized recipient.

<u>CODE</u>	<u>DOCUMENT TITLE</u>	<u>EXPLANATION</u>
D6Q	Materiel Receipt - Other Than Procurement Instrument Source (Removal Items)	Returns into depot inventory of designated principal item/weapon system.
D6R	Materiel Receipt - Other Than Procurement Instrument Source (Exchange Item)	Exchanges of Service/Agency designated items into inventory, when a like item is issued on an exchange basis.
D6S	<i>Deleted</i>	
D6T	Materiel Receipt - Other Than Procurement Instrument Source (Own Service/Agency)	Into depot inventory as a result of requisitioning from own Service/Agency.
D6U	Materiel Receipt - Other Than Procurement Instrument Source (DoD Activity)	Into depot inventory as a result of requisitioning from another DoD activity.
D6V	Materiel Receipt - Other Than Procurement Instrument Source (Non-DoD Activity)	Into depot inventory as a result of requisitioning from a non-DoD activity.
D6X	Materiel Receipt - Other Than Procurement Instrument Source (Decapitalization)	From LIM to GIM as notification of receipt of an item decapitalized. Indicates to GIM: (a) that due-in and financial records of loser have been updated and (b) that memorandum due-in is to be updated.
D6Z	Materiel Receipt - Other Than Procurement Instrument Source (Other)	Into depot inventory when a specific DI code is not known. (Assignor of this code will maintain detailed intelligence pertaining to its use and, as required, will furnish these data).
D7A	Issue (Own Service/Agency)	Issue to own Service/Agency from depot inventory or by direct delivery from vendor. Excludes issues of end items to be repaired.
D7B	Issue (DoD Activities)	Issue to other DoD activities from depot inventory or by direct delivery from vendor. Excludes issues of end items to be repaired.

CH 5
DoD 4000.25-2-M

<u>CODE</u>	<u>DOCUMENT TITLE</u>	<u>EXPLANATION</u>
D7C	Issue (Non-DoD Activities)	Issue to non-DoD activities from depot inventory or by direct delivery from vendor. Excludes issues of end items to be repaired.
D7D	Issue (Grant Aid)	Issue to SA program (Grant Aid) from depot inventory or by direct delivery from vendor.
D7E	Issue (Foreign Military Sales)	Issue to SA program (FMS) from depot inventory or by direct delivery from vendor.
D7G	Issue (Test/Evaluation)	Issue to destructive test and/or evaluation from depot inventory of materiel for performance of destructive testing and/or evaluation.
D7H	Issue (Government Furnished Materiel)	Issue to activities as GFM from depot inventory or direct delivery from a vendor of GFM for consumption in manufacture of an end item. Excludes issues of end items for repair.
D7J	Issue (Reutilization and Marketing)	Issue to property disposal from depot inventory.
D7K	Issue (Relocation)	Issue to other storage locations for relocation between installations under control of the same item manager without change in item management responsibility. Excludes issues of end items to be repaired.
D7L	Issue (Assembly/Disassembly/Conversion/Modification)	Issue for assembly/disassembly/conversion/modification from depot inventory or by direct delivery from vendor. Includes issue of (a) component for assembly (b) end item for disassembly, and (c) end item for conversion and modification. Excludes issue of end items to be repaired.
D7M	Issue (Repair/Testing)	Issue to repair/testing from depot inventory to commercial/Government activity for the purpose of repair/testing and expected return of the same item.
D7N	Issue (Loan)	Issue for loan from depot inventory to authorized recipients.

<u>CODE</u>	<u>DOCUMENT TITLE</u>	<u>EXPLANATION</u>
D7P	Issue (Returned Purchases)	Issue of returned purchases from depot inventory to suppliers for credit or reimbursements.
D7Q	Issue (Designated Items)	Issue of designated items from inventory, for installation on a principal item/weapon system.
D7R	Issue (Exchange Items)	Issue of Service/Agency designated items from inventory, when a like item is returned on an exchange basis.
D7Z	Issue (Other)	Issue from depot inventory, when a specific DI code is not otherwise provided. (Assignor of this code will maintain detailed intelligence pertaining to its use and, as required, will furnish these data.)
D8A	Inventory Adjustment - Increase (Physical Inventory)	Gain disclosed as a result of physical count of stock, single adjustment.
D8B	Inventory Adjustment - Increase (Accounting Error)	Gain resulting from clerical or automated information system errors which are not subject to correction by reversal of original transaction, single adjustment.
D8C	Inventory Adjustment - Increase (Condition)	Gain resulting from condition transfer, single adjustment.
D8D	Inventory Adjustment - Increase (Purpose)	Gain resulting from purpose transfer, single adjustment.
D8E	Inventory Adjustment - Increase (Logistics Transfer)	Gain of item management responsibility as a result of logistics transfer, single adjustment.
D8F	Inventory Adjustment - Increase (Capitalization)	Gain to a stock fund or stock fund division at time of activation or subsequent extension/expansion, as result of capitalization, single adjustment.
D8J	Inventory Adjustment - Increase (Reidentification)	Gain resulting from inspection of an item in stock which has been misidentified, single adjustment.

CH 5
DoD 4000.25-2-M

<u>CODE</u>	<u>DOCUMENT TITLE</u>	<u>EXPLANATION</u>
D8K	Inventory Adjustment - Increase (Catalog Changes)	Gain resulting from stock number and/or unit of issue changes, single adjustment. Excludes change of unit price only.
D8S	Inventory Adjustment - Increase (Ownership)	Gain resulting from ownership transfer by the SMCA, single adjustment. Use is restricted to users of the conventional ammunition system.
D8Z	Inventory Adjustment - Increase (Other)	Gains for which a specific DI code is not otherwise provided, single adjustment. (Assignor of code will maintain detailed intelligence pertaining to its use and, as required, will furnish these data.)
D9A	Inventory Adjustment - Decrease (Physical Inventory)	Loss disclosed as a result of physical count of stock, single adjustment.
D9B	Inventory Adjustment - Decrease (Accounting Error)	Loss resulting from clerical or automated information system errors which are not subject to correction by reversal of original transaction, single adjustment.
D9C	Inventory Adjustment - Decrease (Condition)	Loss resulting from condition transfer, single adjustment.
D9D	Inventory Adjustment - Decrease (Purpose)	Loss resulting from transfer action for a specific purpose, single adjustment.
D9E	Inventory Adjustment - Decrease (Logistic Transfer)	Loss of item management responsibility, logistic transfer, single adjustment.
D9F	Inventory Adjustment - Decrease (Decapitalization)	Loss from a stock fund or stock fund division at time of deactivation or contraction as a result of decapitalization, single adjustment.
D9G	Inventory Adjustment - Decrease (Survey Process)	Loss from shrinkage, theft contamination, deterioration, and/or expired shelf life, single adjustment.
D9H	Inventory Adjustment - Decrease (Disaster)	Loss from major disasters, fire loss, enemy action, act of God, etc., single adjustment.

<u>CODE</u>	<u>DOCUMENT TITLE</u>	<u>EXPLANATION</u>
D9J	Inventory Adjustment -Decrease (Reidentification)	Loss resulting from inspection of an item in stock which has been erroneously identified, single adjustment.
D9K	Inventory Adjustment - Decrease (Catalog Change)	Loss resulting from stock number and/or unit of issue changes, single adjustment. Excludes change of unit price only.
D9S	Inventory Adjustment - Decrease (Ownership)	Loss resulting from ownership transfer by the SMCA, single adjustment. Use is restricted to users of the conventional ammunition system.
D9Z	Inventory Adjustment - Decrease (Other)	Losses for which a specific DI code is not otherwise provided, single adjustment. (Assignor of code will maintain detailed intelligence pertaining to its use and, as required, will furnish these data.)
DA1	Single Managed Conventional Ammunition Unfreeze Action	From the SMCA to advise owning Service ICP of action taken to unfreeze a quantity on a specific depot for a given NSN/part number, ownership/purpose code, and supply condition code.
DA2	Single Managed Conventional Ammunition Freeze Action	From the SMCA to advise owning Service ICP of action taken to freeze a quantity on a specific depot for a given NSN/part number, ownership/purpose code, and supply condition code.
DAC	Inventory Adjustment - Dual (Condition Transfer)	Dual adjustment (increase and decrease) resulting from condition transfer.
DAD	Inventory Adjustment - Dual (Purpose Transfer)	Dual adjustment (increase and decrease) resulting from purpose transfer.
DAS	Inventory Adjustment - Dual (Ownership Transfer)	Dual adjustment (increase and decrease) resulting from ownership transfer by the SMCA. Use is restricted to internal processing within the SMCA distribution system.
DB_	Financial Adjustment (Gain)	For use as prescribed by Services/Agencies.

CH 5
DoD 4000.25-2-M

<u>CODE</u>	<u>DOCUMENT TITLE</u>	<u>EXPLANATION</u>
DC_	Financial Adjustment (Loss)	For use as prescribed by Services/Agencies.
DD_	Due-In - Procurement Instrument Source	Used to report establishment or cancellation of due-in (from procurement instrument source) between SCAs and ICPs. The third digit code in this series corresponds to the third digit code provided in the D4 series.
DDX	Memorandum Due-In - Procurement Instrument Source (Increase/Decrease)	Notification from the LIM to the GIM of due-in (from procurement source) involved in an LR.
DEE	Logistic Transfer	Logistic transfer from LIM to GIM. Transfer of onhand balances from appropriation accounts other than stock fund of the loser.
DEF	Decapitalization	Decapitalization from LIM to GIM. Transfer of onhand balances from stock fund accounts of the loser.
DF_	Due-In - Other Than Procurement Instrument Source	Used to report establishment or cancellation of dues-in (from other than procurement instrument source) between SCAs and ICPs. The third digit code in this series corresponds to the third digit code provided in the D6 series.
DFS	Not Assigned	Reserved for Future DoD Assignment.
DFX	Memorandum Due-In - Other Than Procurement Instrument Source (Increase/Decrease)	Notification from the LIM to the GIM of due-in (from other than procurement source) involved in an LR.
DG_	Backorder	Used to report establishment or cancellation/reversal of a backorder between SCAs and ICPs. The third digit code in this series corresponds to the third digit code provided in the D7 series.
DHA	Demand	Used to report establishment or cancellation of demand transactions between SCAs and ICPs.

<u>CODE</u>	<u>DOCUMENT TITLE</u>	<u>EXPLANATION</u>
DJA	Physical Inventory Request	<i>From owner/manager to initiate, followup on, or cancel a physical inventory. From storage activity to initiate or cancel a physical inventory, advise of no record (stock or part number) and to respond to a followup.</i>
DJB	Deleted	
DKA	Deleted	
DLA	Logistics Transfer/ Decapitalization Followup	Logistics transfer/decapitalization followup from GIM to LIM to request asset data pertaining to transferred items.
DLB	Reply to Logistics Transfer/ Decapitalization Followup	Reply from LIM to GIM as a result of a logistics transfer/decapitalization followup to advise of status items.
DLC	Logistics Reassignment Delinquent Due-In Followup	Logistics reassignment followup from the GIM to the LIM to request status on items due-in at the time of reassignment to the GIM.
DLD	Logistics Reassignment Delinquent Due-In Response	Reply from the LIM to a GIM logistics reassignment delinquent due-in followup to advise the status of items. Also used by the LIM to provide the GIM revised due-in estimated delivery dates as changes occur.
DLE	Logistics Reassignment Due-In Reconciliation Request	Used from the GIM to the LIM to request reconciliation of dues-in.
DLF	Logistics Reassignment Due-In Reconciliation Response	Reply from the LIM to a GIM logistics reassignment due-in reconciliation request to reconcile the LIM and GIM due-in records.
DL	Logistics Reassignment General Management Data	Management data provided to GIM by LIM for LR consumable items.
DLT	Logistics Reassignment Backorder and Demand Data	Management data provided to GIM by LIM or LR consumable items.

CH 5
DoD 4000.25-2-M

<u>CODE</u>	<u>DOCUMENT TITLE</u>	<u>EXPLANATION</u>
DLU	Logistics Reassignment On-Hand Asset Data	Management data provided to GIM by LIM for LR consumable items.
DLV	Logistics Reassignment Due-In Asset Data	Management data provided to GIM by LIM for LR consumable items.
DLW	Logistics Reassignment Contract History Data	Management data provided to GIM by LIM for LR consumable items.
DLX	Logistics Reassignment Technical and Quality Data	Management data provided to GIM by LIM for LR consumable items.
DMA	Recurring U.S. Other War Materiel Requirements Data	Used by the DoD Components to submit recurring U.S. OWMR data to the IMM. Used by the LIM to advise the GIM of recurring U.S. OWMR data involved in an LR.
DMB	Nonrecurring U.S. Other War Materiel Requirements Data	Used by the DoD Components to submit nonrecurring U.S. OWMR data to the IMM. Used by the LIM to advise the GIM of nonrecurring U.S. OWMR data involved in an LR.
DMC	Nonrecurring Allies Other War Materiel Requirements Data	Used by the DoD Components to submit nonrecurring Allies OWMR data to the IMM. Used by the LIM to advise the GIM of nonrecurring Allies OWMR data involved in an LR.
DMD	War Materiel Requirements Forecasted Return Data	Used by the DoD Components to submit forecasted reparable item return data to the IMM. Used by the LIM to advise the GIM of forecasted reparable item return data.
DME	War Materiel Requirements Visibility Data	Used by the DoD Components to submit PWRMR and PWRMRP visibility data to the IMM. Used by the LIM to advise the GIM of PWRMR and PWRMRP visibility data involved in an LR.
<i>DRA</i>	<i>Materiel Receipt Acknowledgment</i>	<i>From reporting activity to supply source to acknowledge materiel receipt.</i>

<u>CODE</u>	<u>DOCUMENT TITLE</u>	<u>EXPLANATION</u>
<i>DRB</i>	<i>Materiel Receipt Acknowledgment Reply to Followup</i>	<i>From reporting activity to supply source to acknowledge materiel receipt in reply to followup.</i>
<i>DRF</i>	<i>Followup For Delinquent Materiel Receipt Acknowledgment</i>	<i>From supply source to reporting activity to followup when materiel receipt has not been acknowledged on time.</i>
DSA	Small Arms Multi-Field Corrections	Used for correcting erroneous or invalid NSN, DoDAAC/UIC, or WSN on the Component Registry.
DSB	Small Arms Mass Stock Number Change	Used to update the Component Registry for all weapon serial numbers and stock numbers with one transaction.
DSC	Small Arms Correction	Used for correcting rejected transaction or missing reconciliation transaction on the Component Registry.
DSD	Small Arms Receipt/Issue Followup	Used for followup by the Component Registries to confirm serial number of weapon(s) shipped for which no receipt was confirmed or weapon(s) received for which no shipment was reported.
DSF	Small Arms Reconciliation/Reject Followup	Used to notify a unit/activity that rejected transaction or reconciliation transaction has not been received.
DSM	Weapon Serial Number Control	Used for registration and reporting of small arms between Component Registries and between the Component Registry and the DoD Registry.
DSR	Small Arms Reconciliation/Reject	Used for annual reconciliation between all units/activities having possession or accountability of small arms and the Component Registry. Used to reject invalid/incomplete transactions.

CH 5
DoD 4000.25-2-M

<u>CODE</u>	<u>DOCUMENT TITLE</u>	<u>EXPLANATION</u>
DTA	Asset Support Request	Used by authorized activities to request LASE from IMMs.
DTB	Asset Support Reply (Asset Data)	Reply to asset support request/followup from IMMs to appropriate Service/Agency activity.
DTC	Asset Support Reply (Backorder Data)	Reply to asset support request/followup, from IMMs to appropriate Service/Agency activity.
DTD	Asset Support Request Followup	Asset support request/followup, from Service/Agency activity to appropriate IMMs.
DU_	Pre-Positioned Materiel Receipt (Procurement Instrument Source)	Used by ICPs/SCAs to provide SAs with advance notification of scheduled materiel receipts from a procurement instrument source. The third digit code in this series corresponds to the third digit code provided in the D4 series.
DW_	Pre-Positioned Materiel Receipt (Other Than Procurement Instrument Source)	Used by ICPs/SCAs to provide SAs with advance notification of scheduled materiel receipts from other than procurement instrument source. The third digit code in this series corresponds to the third digit code provided in the D6 series.
DWS	Not assigned	Reserved for Future DoD Assignment.
DXA	Materiel Receipt Followup (Procurement Instrument Source)	From ICP/SCA to SA for materiel receipt followup (procurement instrument source).
DXB	Materiel Receipt Followup (Other Than Procurement Instrument Source)	From ICP/SCA to SA for materiel receipt followup (other than procurement instrument source).
DXC	Reply to Materiel Receipt Followup (Procurement Instrument Source)	Reply to materiel receipt followup from SA advising the ICP/SCA of nonreceipt of materiel from procurement instrument source.
DXD	Reply to Materiel Receipt Followup (Other Than Procurement Instrument Source)	Reply to materiel receipt followup from SA advising the ICP/SCA of nonreceipt of materiel from other than procurement instrument source.

<u>CODE</u>	<u>DOCUMENT TITLE</u>	<u>EXPLANATION</u>
DYA	Special Program Requirement Request	Request from forecasting activity to ICP to advise of expected future requirements. Excludes requests submitted for CLSSA requirements.
DYB	Special Program Requirement Request (Exception Data)	Request with exception data from forecasting activity to ICP to advise of expected future requirements. Excludes requests submitted for CLSSA requirements.
DYC	Special Program Requirement Cancellation	Forecasting activity cancellation notice to ICP to request cancellation of a previously submitted request.
DYD	Special Program Requirement Modifier	Forecasting activity modification request to ICP to request change of certain data in a previously submitted request.
DYG	Special Program Requirement Substitute Item Acceptance	Acceptance of ICP offered substitute item from forecasting activity.
DYH	Special Program Requirement Substitute Item Rejection	Rejection of a substitute item by forecasting activity to ICP.
DYJ	Special Program Requirement Followup	Forecasting activity followup to ICP to request response to a previously submitted request.
DYK	Special Program Requirement Status	ICP status to forecasting activity in response to a request, followup, modifier, cancellation, or substitute item rejection.
DYL	Special Program Requirement Request (Cooperative Logistics Supply Support Arrangement)	Forecasting activity request to ICP to advise of expected future CLSSA requirements.
DYM	Special Program Requirement Request (Exception Data for Cooperative Logistics Supply Support Arrangement)	Forecasting activity request to ICP with exception data, to advise of expected future CLSSA requirements.

CH 5
DoD 4000.25-2-M

<u>CODE</u>	<u>DOCUMENT TITLE</u>	<u>EXPLANATION</u>
DZ9	Status Notification	DAAS notification to the submitter that a MILSTRAP document was rerouted or FSC changed
DZA	Asset Status	Asset status information.
DZB	Storage Item Data Correction/Change	From ICP/SCA to SA to change elements of data pertaining to an NSN.
DZC	Logistics Reassignment Storage Information	From LIM to LIM SA to request transfer of quantities between ownership accounts on the SA records as a result of an LR.
DZD	Logistics Reassignment Storage Information Reply	From LIM SA to LIM to advise of quantity transferred to the GIM as a result of an LR.
DZE	Asset Status/Transaction Reporting Request	From ICP to Military Service designated central points to request reporting from bases, posts, camps and stations. (See chapter 8, section C.)
DZF	Asset Status Reporting (Base, Post, Camp and Station Level Use)	Asset status reporting from bases, posts, camps, and stations to ICP.
DZG	Transaction Reject	Used by the processing activity to reject to the submitting activity a transaction which could not be processed due to erroneous or missing data. Includes LR transactions, for which no valid due-in exists, received more than 1 year after the effective transfer date.
DZH	Location Reconciliation Request	From storage activity to the owning/managing ICP to reconcile custodial records and accountable records.
DZJ	Transaction History/Custodial Balance Request	Transaction history/custodial balance request from ICP to storage activity.

<u>CODE</u>	<u>DOCUMENT TITLE</u>	<u>EXPLANATION</u>
DZK	Transaction History Transmittal	Transaction history transmittal from an SA in support of a depot scheduled physical inventory or in response to an ICP request for history.

APPENDIX B3

TYPE OF PHYSICAL INVENTORY/TRANSACTION HISTORY CODES

NUMBER OF CHARACTERS: One

TYPE OF CODE: Alpha/Numeric

EXPLANATION: Used in physical Inventory/transaction history documents to identify the type of Inventory being conducted/ requested, or to identify requests for/transmission of custodial balances/ transaction history

RECORD POSITION: 7

<u>CODE</u>	<u>DEFINITION</u>
A through B	Reserved for future DoD assignment
C	Special Inventory, all supply condition codes. Initiated by owner, accountable officers, or storage activity
D	Special Inventory, all supply condition codes. Initiated by owner as a result of end of day processing imbalances
E	Spot Inventory due to denial (all supply condition codes). Initiated by the storage activity or owner as a result of denials
F	Reserved for future DoD assignment
G	Scheduled Inventory. Inventory to be conducted within a specified period of time according to an established plan on controlled items and all other items or categories designated by the DoD Component
H	Special Inventory, all supply condition codes. Initiated by owner when an Inventory is necessary and the date of last Inventory is less than 90 days
I	Scheduled Inventory, all supply condition codes. Initiated by storage activity based on selection and prioritization system model criteria
J	Special Inventory, all supply condition codes. Initiated by owner as a result of location reconciliation errors

CH 5
DoD 4000.25-2-M

<u>CODE</u>	<u>DEFINITION</u>
K	Special Inventory, all supply condition codes. Initiated by storage activity as a result of location survey errors
L	Scheduled Inventory, specified supply condition codes. Initiated by owner for a random statistical sample Inventory
M	Special Inventory, all condition codes. Initiated by storage activity as a result of onhand balance mismatches between the locator and property accountability records
N	Scheduled Inventory, specified supply condition codes. Initiated by storage activity for the annual statistical sample Inventory
O	Reserved for future DoD assignment
P	Scheduled Inventory, specified supply condition codes. Initiated by storage activity for a random statistical sample Inventory
Q	Reserved for future DoD assignment
R	<i>Special inventory, specified supply condition code. Initiated by storage activity in an effort to resolve a customer report of discrepancy</i>
S	<i>Special inventory, specified supply condition code. Initiated by storage activity as part of receipt followup (intransit) resolution process</i>
T	<i>Special inventory, specified supply condition code. Initiated by storage activity as a result of a disposal release order directing ownership transfer to the Recycling Control Point</i>
U	<i>Special inventory, specified supply condition code. A location-level inventory initiated by storage activity for low asset visibility counts</i>
V	<i>Special inventory, specified supply condition code. Initiated by storage activity as a result of a location-level inventory adjustment or exceeding predetermined thresholds</i>
W	Automatic submission of transaction history from storage activity to owner/manager
X	Storage activity transaction history requested by owner/manager or transaction history response from storage activity to owner
Y	Reserved for future DoD assignment
Z	Reserved for future DoD assignment
0 through 9	Reserved for future DoD assignment

DISPOSAL CONDITION CODES

NUMBER OF CHARACTERS: One

TYPE OF CODE: Numeric

EXPLANATION: Assigned by DRMO to accurately describe the materiel physical condition based on inspection of materiel at time of receipt (code source: DoD 4160.21-M (reference (ff)))

<u>CODE</u>	<u>DEFINITION</u>
1	<i>Property which is in new condition or unused condition and can be used immediately without modifications or repairs</i>
4	<i>Property which shows some wear, but can be used without significant repair</i>
7	<i>Property which is unusable in its current condition but can be economically repaired</i>
S	<i>Property that has no value except for its basic materiel content</i>
X	<i>Property which has value in excess of its basic materiel content but repair or rehabilitation is impractical and/or uneconomical</i>

APPENDIX B7

MANAGEMENT CODES

NUMBER OF CHARACTERS: One

TYPE OF CODE: Alpha/Numeric

EXPLANATION: Provides supplemental data not indicated through the transaction coding structure. When a situation exists which is not covered by a code, the Service/Agency managing the distribution system may assign Management Codes A thru L (except I), and other codes as specified below, and may prescribe their entry in appropriate transactions. Codes established under this option shall not duplicate or circumvent the intent of DoD assigned or reserved codes.

RECORD POSITIONS: 72

a. **RECEIPT RELATED TRANSACTIONS.** The following management codes are assigned for use in MILSTRAP materiel receipt related transactions, DI Codes D4_ and D6_ Materiel Receipts (excluding DI Code D6S), DD_ and DF_ Due-in Transactions, DU_ and DW_ PMRs, and DX_ Materiel Receipt Followups), and related receiving documentation (when applicable), as indicated below:

CODE	APPLICABLE DI CODES	EXPLANATION
A thru L	Appropriate DI codes	Reserved for assignment by Service/Agency managing the item; not assigned by DoD.
M	D6_	Materiel condemned upon receipt. Quantity indicated shipped direct to the DRMO, or other authorized/required disposal action has been taken. (Excludes items for which shelf-life has expired and cannot/will not be extended.)
M	All other DI Codes	Reserved for future DoD assignment.

CH 5
DoD 4000.25-2-M

CODE	APPLICABLE DI CODES	EXPLANATION
N	All DI codes	Return of undelivered (frustrated) cargo (with accompanying shipper documentation).
O	All DI codes	Reserved for future DoD assignment.
P	D4_, D6_	Materiel received without documentation. Support documentation and document number created by SA.
P	All other DI codes	Reserved for future DoD assignment.
Q	D6_	Multiple Use: 1. Return of materiel improperly identified at time of shipment from depot. 2. Return of Government-owned containers.
Q	All other DI codes	Reserved for future DoD assignment.
R	D4_, D6_	Materiel receipt discrepancy; discrepancy report submission required. (Excludes vendor caused misdirected shipments covered by code S and quantity overages covered by code U.)
R	All other DI codes	Reserved for future DoD assignment.
S	D4_	Materiel receipt discrepancy; discrepancy report submission required. Vendor caused misdirected shipment from procurement instrument source. Materiel meets acceptance criteria specified in the contract.
S	All other DI codes	Reserved for future DoD assignment.
T	D6_	Materiel condemned upon receipt. Shelf-life has expired and cannot/will not be extended. Quantity indicated shipped direct to the DRMO or other authorized/ required disposal action has been taken.
T	All other DI codes	Reserved for future DoD assignment.

CODE	APPLICABLE DI CODES	EXPLANATION
U	D4_	Materiel receipt discrepancy; discrepancy report submission required. Quantity delivered exceeded authorized quantity including any allowable contract variance and/or excess delivery clause. Materiel meets acceptance criteria specified in the contract.
U	All other DI codes	Reserved for future DoD assignment.
V thru Y	All DI codes	Reserved for future DoD assignment.
Z	All DI codes	Exception data entered in remarks or follows by separate correspondence.
0 thru 9	All DI codes	Reserved for future DoD assignment.

b. **ISSUE RELATED TRANSACTIONS**. Management codes are assigned for use in MILSTRAP issue related transactions (DI Code D7_ Issues, DG_ Backorders, and DHA Demands) and MILSTRIP (reference (h)) transactions (DI Code A4_ Referral Orders, A5_ Materiel/Disposal Release Orders, A6_ Materiel/Disposal Release Denials, and AE6 Supply Status), and related release documentation (when applicable), as indicated below:

CODE	APPLICABLE DI CODES	EXPLANATION
A thru L	Appropriate DI codes	Reserved for assignment by Service/Agency managing the item; not assigned by DoD.
M	D7_ less D7J, A__ less A5J and A6_	Backorder release.
M	D7J, A5J	Materiel condemned. Quantity indicated shipped direct to the DRMO or other authorized/required disposal action has been taken. (Excludes items for which shelf-life has expired and cannot/will not be extended.)
M	All other DI codes	Reserved for future DoD assignment.
N	DHA, D7_, A4_	Nonrecurring demand.
N	All other DI codes	Reserved for future DoD assignment.
O	DHA, D7_, A4_	No demand.

CH 5
DoD 4000.25-2-M

CODE	APPLICABLE DI CODES	EXPLANATION
O	All other DI codes	Reserved for future DoD assignment.
P	DHA, D7_, A4_	Nonrecurring demand for special program requirements.
P	All other DI codes	Reserved for future DoD assignment.
Q	All DI codes	Reserved for future DoD assignment. Reserved for future DoD assignment.
R	DHA, D7_, A4_	Recurring demand.
R	A5_	Pre-inventory document.
R	A6_	<i>Denied. This denial results from a receipt posted in error during real-time "Issue from Receiving" processing, or from discovery of a receipt processing error during denial research. Distribution depot to submit receipt reversal.</i>
R	All other DI codes	Reserved for future DoD assignment.
S	DHA, D7_, A4_	Commissary resale demand.
S	All other DI codes	Reserved for future DoD assignment.
T	D7J, A5J	Materiel condemned. Shelf-life has expired and cannot/will not be extended. Quantity indicated shipped direct to DRMO or other authorized/required disposal action has been taken.
T	All other DI codes	Reserved for future DoD assignment.
U	A5_	Post inventory document.
U	All other DI codes	Reserved for future DoD assignment.
V	All DI codes	Reserved for future DoD assignment.

CODE	APPLICABLE DI CODES	EXPLANATION
W	AE6, A4_ ¹ A6_, D7_ ²	Denied. Cannot identify DoDAAC/MAPAC of designated materiel recipient.
W	All other DI codes	Reserved for future DoD assignment.
X	AE6, A4_ ³ A6_, D7_ ⁴	Denied. Consignee, freight forwarder, or country representative has advised that issue of this materiel will constitute a duplicate shipment.
X	All other DI codes	Reserved for future DoD assignment.
Y	All DI codes	Reserved for future DoD assignment.
Z	D7_, DG_, A6_,	Exception Data entered in remarks or follows by separate correspondence.
0	All DI codes	Reserved for future DoD assignment.
1	AE6, A4_ ³ A6_, D7_ ⁴	Denied. Stock exhausted; unsuccessful storage activity search has been made.
1	All other DI codes	Reserved for future DoD assignment.
2	AE6, A4_ ³ A6_, D7_ ⁴	Denied. Materiel not available in condition requested.
2	All other DI codes	Reserved for future DoD assignment.
3	AE6, A4_ ³ A6_, D7_ ⁴	Denied. Materiel not available in proper shelf-life.
3	All other DI codes	Reserved for future DoD assignment.

¹Authorized for use only in intra-Navy referral orders.

²Authorized for use only in intra-Navy D7_ Issue transaction reversals and in D7_ Issue transaction reversals between Navy Specialized Support Points and DSCs.

³See footnote 1.

⁴See footnote 2.

CH 5
DoD 4000.25-2-M

CODE	APPLICABLE DI CODES	EXPLANATION
4	AE6, A4_ ⁵ A6_, D7_ ⁶	Denied. Materiel not available in type pack (overseas or domestic) requested (subsistence only) or specified lot number cannot be released (ammunition only).
4	All other DI codes	Reserved for future DoD assignment.
5	AE6, A4_ ⁵ A6_, D7_ ⁶	Denied. Reidentification or reclassification of assets in process. SA to advise results of reidentification or reclassification.
5	All other DI codes	Reserved for future DoD assignment.
6	AE6, A4_ ⁵ A6_, D7_ ⁶	Denied. No record of NSN at SA. This denial results from review of the storage records and the SA has not conducted a physical search for the item.
6	All other DI codes	Reserved for future DoD assignment.
7	AE6, A4_ ⁵ A6_, D7_ ⁶	Denied. Zero balance in an issuable condition indicated on SA custodial/memorandum record and no record location exists. This denial results from review of the storage records and the SA has not conducted a physical search for the item.
7	All other DI codes	Reserved for future DoD assignment.
8	Appropriate DI codes	Reserved for assignment by the Service/ Agency managing the item; not assigned by DoD.
9	AE6, A4_ ⁵ A6_, D7_ ⁶	Denied. To ICP from storage. Item was ordered in one continuous length only but is not so available.
9	All other DI codes	Reserved for future DoD assignment.

⁵See footnote 1 on page B7-4.

⁶See footnote 2 on page B7-4.

c. **GAIN/LOSS RELATED TRANSACTIONS**. Management codes are assigned for use in MILSTRAP gain/loss related transactions (DI Code D8_/D9_ Inventory Adjustment Increases/Decreases, and DAC Dual Inventory Adjustments) as indicated below:

CODE	APPLICABLE DI CODES	EXPLANATION
A thru L	Appropriate DI codes	Reserved for assignment by Service/Agency managing the item; not assigned by DoD.
M	D9_, DAC	Materiel condemned. Quantity indicated shipped direct to the DRMO or other authorized/required disposal action has been taken. (Excludes items for which shelf-life has expired and cannot/will not be extended.)
M	All other DI codes	Reserved for future DoD assignment.
N	All DI codes	Reserved for future DoD assignment.
O	D8B, D9B	<i>Gain/Loss resulting from end-of-day processing.</i>
O	All other DI codes	Reserved for future DoD assignment.
P	D8B, D9B	<i>Gain/loss resulting from location reconciliation.</i>
P	All other DI codes	Reserved for future DoD assignment.
Q	D9_	<i>Loss resulting from a materiel release denial on another owner/manager's materiel.</i>
Q	All other DI codes	Reserved for future DoD assignment.
R	D8_	Gain resulting from creation of computer record balance in order to process out-of-sequence high priority issues. This posting to an insufficient balance may be used when negative balances are not permitted.
R	All other DI codes	Reserved for future DoD assignment.
S	D9_	Loss resulting from automatic adjustment due to receipt of materiel release denial of stocks issued as a result of computer record balance gained through use of Management Code R, above.

CH 5
DoD 4000.25-2-M

CODE	APPLICABLE DI CODES	EXPLANATION
S	All other DI codes	Reserved for future DoD assignment.
T	D9G, DAC	Materiel condemned. Shelf-life has expired and cannot/will not be extended. Quantity indicated shipped direct to DRMO or other authorized/required disposal action has been taken.
T	All other DI codes	Reserved for future DoD assignment.
U thru Y	All DI codes	Reserved for future DoD assignment.
Z	All DI codes	Exception data entered in remarks or follows by separate correspondence.
0	All DI codes	Reserved for future DoD assignment.
1	D9A	<i>Adjustment based on materiel denial. Stock exhausted; unsuccessful storage activity search has been made.</i>
2	D9A	<i>Adjustment based on materiel denial. Materiel not available in condition requested; other condition codes recorded. Unsuccessful storage activity search has been made.</i>
3	D9A	<i>Adjustment based on materiel denial. Materiel not available in shelf life, or for subsistence in date packed/expiration date requested.</i>
4	D9A	<i>Adjustment based on materiel denial. Materiel not available in type pack (overseas or domestic) requested (subsistence only) or specified lot number cannot be released (ammunition only). Unsuccessful storage activity search has been made.</i>
5 thru 9	All DI codes	Reserved for future DoD assignment.

d. **PHYSICAL INVENTORY RELATED TRANSACTIONS.** Management codes are assigned for use in MILSTRAP physical inventory related transactions (DI Code DJA Physical Inventory Requests) as indicated below:

CODE	APPLICABLE DI CODES	EXPLANATION
A thru L	Appropriate DI codes	Reserved for assignment by Service/Agency managing the item; not assigned by DoD.
M	DJA	Recount requested.
N	DJA	<i>Inventory cancelled.</i>
O <i>thru Q</i>	DJA	Reserved for future DoD assignment.
<i>R</i>	<i>DJA</i>	<i>Rejected. No record of stock number or no record of ownership.</i>
<i>S</i>	<i>DJA</i>	<i>Physical inventory in workload bank or in process.</i>
T thru W	DJA	Reserved for future DoD assignment.
<i>X</i>	<i>DJA</i>	<i>Followup on unscheduled inventory request when no adjustment or completion transaction received within 40 days.</i>
<i>Y</i>	<i>DJA</i>	<i>Response to followup when inventory already complete.</i>
Z	<i>DJA</i>	Exception data entered in remarks or followed by separate correspondence.
0 thru 9	<i>DJA</i>	Reserved for future DoD assignment.

e. **INFORMATIVE TRANSACTIONS.** Management codes are assigned for use in informative transactions (DI Code D6S Materiel Receipt Acknowledgments, DZC Logistics Reassignment Storage Information transactions, and DZD Logistics Reassignment Storage Information Replies) as indicated below:

CODE	APPLICABLE DI CODES	EXPLANATION
A thru L	Appropriate DI codes	Reserved for assignment by Service/Agency managing the item; not assigned by DoD.
M thru Y	All DI codes	Reserved for future DoD assignment.
Z	All DI codes	Exception data entered in remarks or follows by separate correspondence.

CH 5
DoD 4000.25-2-M

CODE	APPLICABLE DI CODES	EXPLANATION
0 thru 9	All DI codes	Reserved for future DoD assignment.

APPENDIX B8

CORRECTION/CHANGE CODES FOR STORAGE ITEM RECORDS

NUMBER OF CHARACTERS: One

TYPE OF CODE: Alpha/Numeric

EXPLANATION: Indicates in the Storage Item Data Correction/Change transaction the nature of the change, actions to be taken and affected data fields.

RECORD POSITIONS: 7

<u>CODE</u>	<u>DOCUMENT TITLE</u>	<u>EXPLANATION</u>
1	Consolidation of National Stock Numbers (NAN)	Indicates the item represented by the NAN in record positions 8-24 is to be consolidated with the item represented by the NAN in record positions 27-43. Both items will be issued under the NAN in record positions 27-43.
2	Change of National Stock Number (NAN)	Indicates the NAN for the item record positions 8-24 has been changed to the NAN for the item in record positions 27-43.
3	Change of Shelf-Life Code	Indicates the shelf-life code has been changed for the item represented by the NAN in record positions 8-24. The new shelf-life code is shown in record position 51.
4	Change of Controlled Inventory Item Code	Indicates the Controlled Inventory Item code has been changed for the item represented by the NAN in record positions 8-24. The new Controlled Inventory Item code is shown in record position 52.

CH 5
DoD 4000.25-2-M

<u>CODE</u>	<u>DOCUMENT TITLE</u>	<u>EXPLANATION</u>
5	Change of Unit of Issue	Indicates the unit of issue has been changed for the item represented by the NAN in record positions 8-24. Unit of issue will be changed in accordance with the conversion factor reflected in record positions 46-50.
6	Multiple Changes	Indicates multiple changes for the item represented by the NAN in record positions 8-24 .
7	Change of Demilitarization (DEMIL) Code	Indicates the DEMIL code has been changed for NAN in record positions 8-24. New Code DEMIL code is shown in record position 53.
8	National Stock Number Deleted without Replacement	Indicates NAN in record positions 8-24 has been deleted and not replaced.
9	National Stock Number Change with LogisticsTransfer (Loss)	Indicates NAN in record positions 8-24 has been changed to NAN in record positions 27-43 with logistics transfer (loss). The GIM is indicated in record positions 56-58.
0		Deleted.
A-H	Not Assigned	Reserved for intra-Service/Agency assignment and use.
I	Not Assigned	Not to be assigned.
J-N	Not Assigned	Reserved for future DoD assignment.
O	Not Assigned	Not to be assigned.
P-X	Not Assigned	Reserved for future DoD assignment.
Y	Manager	Indicates that the correct manager is in record positions 56-58.
Z	New or Reinstated National Stock Number	Indicates NAN in record positions 8-24 is new or reinstated item.

APPENDIX B9

REJECT ADVICE CODES

NUMBER OF CHARACTERS: Two

TYPE OF CODE: Alphabetic

EXPLANATION: Identifies to the originator of a transaction, the reason for rejection, and indicates return of the transaction for correction and resubmission.¹

RECORD POSITION: 79-80

<u>CODE</u>	<u>EXPLANATION</u>
-------------	--------------------

AA	Rejected. Document identifier code invalid.
AB	Rejected. Submitted to incorrect manager; routing identifier code of correct manager indicated in record positions 54-56, if known.
AC	Rejected. Type of physical inventory code invalid or blank.
AD	Rejected. Stock or part number unidentifiable.
AE	Rejected. Quantity field invalid.
AF	Rejected. Document number invalid.
AG	Rejected. Ship-to address unidentifiable.
AH	Rejected. Required signal code invalid or blank.
AJ	Rejected. Required fund code invalid or blank.

¹Codes in the A_ and B_ series not listed above are reserved for future use and are not to be used unless authorized and disseminated by the DoD MILSTRAP System Administrator. Codes in the C through Z series are reserved for intra-Service/Agency use.

<u>CODE</u>	<u>EXPLANATION</u>
AK	Rejected. Ownership/purpose code invalid or blank.
AM	Rejected. Supply condition code invalid or blank.
AP	Rejected. Required management code invalid or blank.
AQ	Rejected. Processing/count date invalid or blank. <i>Location Reconciliation Request cutoff date invalid.</i>
AR	Rejected. Unit of issue incorrect.
AS	Rejected. Support date invalid. <i>Location Reconciliation Request and/or Transaction History Transmittal received past scheduled deadline.</i>
AT	Rejected. Asset support request code invalid or blank.
AU	Rejected. Asset support request is for an item not centrally managed and stocked (Acquisition Advice Codes F, L, P, or W).
AV	Rejected. Activity identified in record positions 30-35 (DoDAAC) and/or 27-29 (RI code (From)) is not authorized to submit LASE transactions. <i>Activity identified in Location Reconciliation Request record positions 67-69 (RI Code (From)) not valid.</i>
AW	Rejected. Logistic Reassignment Transaction (DEE, DEF, DDX) received more than 1 year after the ETD. (The D4X will be rejected if no memorandum due-in is on record at the GIM to indicate it is a valid procurement receipt.)
AX	Rejected. GSA is SOS for requested LASE or SPR. GSA does not participate in MILSTRAP LASE and SPR procedures. If required, submit funded DoD MILSTRIP requisition citing applicable required delivery date.
AY	<i>Rejected. Location Reconciliation Request and/or Transaction History Transmittal does not equal the number of transactions recorded in the Location Reconciliation Notification and/or Location Reconciliation History Notification.</i>
AZ	<i>Rejected. Number of Location Reconciliation Requests received from storage activity exceed reasonable variance from owner/manager.</i>

APPENDIX B18

ERROR CLASSIFICATION CODES

NUMBER OF CHARACTERS:	Three
TYPE OF CODE:	Alpha/Numeric
EXPLANATION:	Provides processing activities a means of mechanically identifying the causes for errors which resulted in potential/actual inventory adjustments, accounting adjustments, ¹ and the processing operations in which they occurred
RECORD POSITIONS:	<i>63-65 of inventory adjustment transactions (DI D8A/D9A and D8B/D9B)</i>

A. PURPOSE

1. The physical inventory program error classification codes provide a standard means for Services/Agencies to classify the causes of actual/potential adjustments for subsequent analysis, evaluation, and corrective action.

2. The error classification code is a required entry on MILSTRAP documentation for use in preparing reports and for providing evaluation data to higher authority in standard error classification categories.

B. CODE STRUCTURE

1. First Position. The first character is the operation code which will be numeric or alphabetic and will identify the operation during which the error occurred and not the operation in which the error was detected. Code assignment for the first character is controlled by DoD and may not be assigned by the Services/Agencies. ***The following operation codes are assigned as the first character in the error classification code:***

¹ ***The Integrated Materiel Manager may use the error classification codes in rp 63-65 in DI D8B/D9B Inventory Adjustment Transactions (Accounting Errors) pending the establishment of single shared asset balances (see chapter 7, paragraphs B.2. and B.4.).***

CH 5
DoD 4000.25-2-M

<u>CODE</u>	<u>OPERATION</u>	<u>CODE</u>	<u>OPERATION</u>
0	<i>Not assigned; reserved for future assignment by DoD</i>	6	<i>Warehousing/ Rewarehousing</i>
1	<i>Receiving</i>	7	<i>Location Survey</i>
2	<i>Issue</i>	8	<i>Other</i>
3	<i>Physical Inventory</i>	9	<i>Not assigned; reserved for future assignment by DoD</i>
4	<i>Cataloging Changes</i>	A-Z	<i>Not assigned; reserved for future assignment by DoD</i>
5	<i>Logistics Reassignments</i>		

2. Second Position. The second character is the type of error code which is alphabetic or numeric and identifies the type of error which occurred. Code assignment for the second character is controlled by DoD and may not be assigned by the Services/ Agencies. *The following type of error codes are assigned as the second character in the error classification code:*

<u>CODE</u>	<u>LEGEND</u>	<u>DEFINITION</u>
A	System/Program Error	<i>Property accountability record was not correctly updated by a valid transaction because system failed or program contained a logic error</i>
B	Document Not Posted	<i>Physical processing was completed but transaction update of the property accountability record was not affected</i>
C	Source Document Error	<i>Error in the source document NAN, quantity, unit of issue, condition, type of pack, lot number, ownership/ purpose, and/or location (routing identifier) caused erroneous update of property accountability record</i>
D	Data Entry Error	<i>Input transaction did not match source document NAN, quantity, unit of issue, condition, type of pack, lot number, ownership/purpose, and/or location (routing identifier) and caused erroneous update of the property accountability record</i>
E	Rejected Document Not Posted	<i>Transaction was rejected during processing and was not reinput to update the property accountability record</i>

<u>CODE</u>	<u>LEGEND</u>	<u>DEFINITION</u>
<i>F</i>	<i>Duplicate Document Posted</i>	<i>Same transaction updated the property accountability record more than once</i>
<i>G</i>	<i>Reversal Document Not Posted</i>	<i>Property accountability record was updated by a transaction processed to completion and required transaction reversal was not processed</i>
<i>H</i>	<i>Erroneous Reversal Posted</i>	<i>Prior action to reverse a transaction which updated the property accountability record was taken in error</i>
<i>I</i>	<i>Not Assigned</i>	
<i>J</i>	<i>Misidentified/Mixed Materiel</i>	<i>Assets in storage location were identified by incorrect/multiple stock number, unit of issue, supply condition, shelf-life, type of pack, lot number, or ownership/purpose</i>
<i>K</i>	<i>Duplicate Physical Processing</i>	<i>Transaction updated the property accountability record once but materiel physically processed more than once</i>
<i>L</i>	<i>Wrong Materiel Selected</i>	<i>Materiel selected did not match transaction which updated the property accountability record (i.e., wrong stock number, quantity, unit of issue, supply condition, type of pack, lot, ownership/purpose, and/or location was physically selected)</i>
<i>M</i>	<i>Materiel Selected From Wrong Location</i>	<i>Storage location from which materiel was selected did not match storage location cited in the transaction</i>
<i>N</i>	<i>Physical Processing Not Complete</i>	<i>Transaction updated the property accountability record but physical processing of materiel was not completed</i>
<i>O</i>	<i>Not Assigned</i>	
<i>P</i>	<i>Erroneous Denial</i>	<i>Denial processed in error. Materiel found after denial was submitted</i>
<i>Q</i>	<i>Materiel Not Stored/Stored Incorrectly</i>	<i>Materiel was not stored in finite location or placed in finite location when processing the storage transaction</i>

<u>CODE</u>	<u>LEGEND</u>	<u>DEFINITION</u>
<i>R</i>	<i>Infloat Document Control Error</i>	<i>Erroneous data posted to the property accountability record because infloat documents were not considered or were not available</i>
<i>S</i>	<i>Erroneous Count</i>	<i>Materiel incorrectly counted</i>
<i>T</i>	<i>Erroneous Adjustment Posted</i>	<i>Prior action to adjust the property accountability record was taken in error</i>
<i>U</i>	<i>Catalog Change Not Posted</i>	<i>Transaction resulted in erroneous update of the property accountability record because the property accountability record was not updated by catalog change transaction</i>
<i>V</i>	<i>Erroneous Catalog Change Posted</i>	<i>Erroneous data posted to property accountability record due to error in catalog change record due to error in catalog change transaction (e.g., wrong unit of issue to or from, etc.)</i>
<i>W</i>	<i>Bin Tag/Locator Label Error</i>	<i>Bin tag/locator label missing, incomplete, or reflected erroneous data for assets in storage location</i>
<i>X</i>	<i>Theft</i>	<i>Inventory adjustment attributed to probable theft</i>
<i>Y</i>	<i>No Conclusive Findings</i>	<i>Cause for the inventory discrepancy could not be determined</i>
<i>Z</i>	<i>Not Assigned</i>	<i>Reserved for future DoD assignment</i>
<i>0-9</i>	<i>Not Assigned</i>	<i>Reserved for future DoD assignment</i>

3. Third Position. The third character may be assigned by each Service/Agency to internally amplify the error classification. Numeric and alphabetic code assignments in this position will be controlled by each individual Service/Agency for their internal use.

APPENDIX B20

DISCREPANCY INDICATOR CODES

NUMBER OF CHARACTERS: *One*

TYPE OF CODE: *Alphabetic*

EXPLANATION: *A one-digit code used in the MRA to indicate when a supply or transportation discrepancy or product quality deficiency affects the receipt posting and/or MRA process.*

RECORD POSITIONS: *63*

<u>CODE</u>	<u>DEFINITION</u>
<i>A</i>	<i>SDR being submitted. (Excludes shortage and partial or total nonreceipt.)</i>
<i>B</i>	<i>No record of requisition. (Use in reply to DI Code DRB followup if there is no record of the requisition and the materiel has not been received.)</i>
<i>C</i>	<i>Reserved for future DoD assignment.</i>
<i>D</i>	<i>Transportation discrepancy report being submitted. (Excludes shortage and partial or total nonreceipt.)</i>
<i>E</i>	<i>Product quality deficiency report being submitted.</i>
<i>F</i>	<i>Shortage or partial or total nonreceipt. Quantity not received entered in record positions 25-29.</i>
<i>G-W</i>	<i>Reserved for future DoD assignment.</i>
<i>X</i>	<i>Discrepant receipt, other than shortage and partial or total nonreceipt, which does not meet qualifying criteria for discrepancy report submission.</i>
<i>Y-Z</i>	<i>Reserved for future DoD assignment.</i>

APPENDIX B31

TYPE LOCATION RECONCILIATION REQUEST¹

<i>NUMBER OF CHARACTERS:</i>	<i>One</i>
<i>TYPE OF CODE:</i>	<i>Numeric</i>
<i>EXPLANATION:</i>	<i>Used to identify the type of location reconciliation request</i>
<i>RECORD POSITION:</i>	<i>7</i>

<u>CODE</u>	<u>DEFINITION</u>
<i>1</i>	<i>End-of-day processing</i>
<i>2</i>	<i>Annual location reconciliation request</i>

¹The end-of-day processing and location reconciliation process will not be required with the establishment of single shared asset balances (see Chapter 7, paragraphs B.2. and B.3.).

APPENDIX C - FORMATS

INDEX

	<u>PAGE</u>
INTRODUCTION	C-1
APPENDIX C1 Materiel Receipt - Procurement Instrument Source.....(D4_)	C1-1
APPENDIX C2 Materiel Receipt - Other Than Procurement Instrument Source(D6_)	C2-1
APPENDIX C3 Issue.....(D7_)	C3-1
APPENDIX C4 Adjustment - Increase or Decrease(D8_, D9_)	C4-1
APPENDIX C5 Inventory Adjustment - Increase or Decrease (Logistics Transfer/Capitalization/Decapitalization) (D8E, D8F, D9E, D9F)	C5-1
APPENDIX C6 Inventory Adjustment - Increase or Decrease (Ownership Transfer)(D8S, D9S)	C6-1
APPENDIX C7 Single Managed Conventional Ammunition Freeze/ Unfreeze Action(DA1, DA2)	C7-1
APPENDIX C8 Reserved	
APPENDIX C9 Inventory Adjustment - Dual (Condition/Purpose Transfer) (DAC, DAD)	C9-1
APPENDIX C10 Inventory Adjustment - Dual (Ownership Transfer) (DAS)	C10-1
APPENDIX C11 Due-In - Procurement Instrument Source (DD_)	C11-1
APPENDIX C12 Logistics Transfer/Decapitalization (DEE, DEF)	C12-1
APPENDIX C13 Due-In - Other Than Procurement Instrument Source(DF_)	C13-1
APPENDIX C14 Backorder.....(DG_)	C14-1
APPENDIX C15 Demand(DHA)	C15-1
APPENDIX C16 Physical Inventory Request(DJA)	C16-1

		<u>PAGE</u>
APPENDIX C17	Reserved.	
APPENDIX C18	Reserved.	
APPENDIX C19	Reserved.	
APPENDIX C20	Logistics Transfer/Decapitalization Followup(DLA)	C20-1
APPENDIX C21	Reply To Logistics Transfer/Decapitalization Followup(DLB)	C21-1
APPENDIX C22	Logistics Reassignment Delinquent Due-In Followup (DLC)	C22-1
APPENDIX C23	Logistics Reassignment Delinquent Due-In Response(DLD)	C23-1
APPENDIX C24	Logistics Reassignment Due-In Reconciliation Request ...(DLE)	C24-1
APPENDIX C25	Logistics Reassignment Due-In Reconciliation Response (DLF)	C25-1
APPENDIX C25A	Logistics Reassignment General Management Data(DLS)	C25A-1
APPENDIX C25B	Logistics Reassignment Backorder and Demand Data(DLT)	C25B-1
APPENDIX C25C	Logistics Reassignment On-Hand Asset Data(DLU)	C25C-1
APPENDIX C25D	Logistics Reassignment Due-In Asset Data(DLV)	C25D-1
APPENDIX C25E	Logistics Reassignment Contract History Data(DLW)	C25E-1
APPENDIX C25F	Logistics Reassignment Technical and Quality Data(DLX)	C25F-1
APPENDIX C26	War Materiel Requirements Data(DM_)	C26-1
APPENDIX C26A	Materiel Receipt Acknowledgment(DRA, DRB)	C26A-1
APPENDIX C26B	Followup For Delinquent Materiel Receipt Acknowledgment.....(DRF)	C26B-1
APPENDIX C27	Small Arms Multi-Field Corrections(DSA)	C27-1
APPENDIX C28	Small Arms Mass Stock Number Change(DSB)	C28-1
APPENDIX C29	Small Arms Correction(DSC)	C29-1
APPENDIX C30	Small Arms Receipt/Shipment Followup(DSD)	C30-1

		<u>PAGE</u>
APPENDIX C31	Small Arms Reconciliation/Reject Followup.....(DSF)	C31-1
APPENDIX C32	Weapon Serial Number Control(DSM)	C32-1
APPENDIX C33	Small Arms Reconciliation/Reject(DSR)	C33-1
APPENDIX C34	Asset Support Request(DTA)	C34-1
APPENDIX C35	Asset Support Reply (Asset Data).....(DTB)	C34-1
APPENDIX C36	Asset Support Reply (Backorder Condition).....(DTC)	C36-1
APPENDIX C37	Asset Support Request Followup.....(DTD)	C37-1
APPENDIX C38	Pre-Positioned Materiel Receipt Procurement Instrument Source.....(DU_)	C38-1
APPENDIX C39	Pre-Positioned Materiel Receipt (Other Than Procurement Instrument Source)..... (DW_)	C39-1
APPENDIX C40	Materiel Receipt Followup (Procurement Instrument Source).....(DXA)	C40-1
APPENDIX C41	Materiel Receipt Followup (Other Than Procurement Instrument Source).....(DXB)	C41-1
APPENDIX C42	Reply To Materiel Receipt Followup (Procurement Instrument Source).....(DXC)	C42-1
APPENDIX C43	Reply To Materiel Receipt Followup (Other Than Procurement Instrument Source).....,(DXD)	C43-1
APPENDIX C44	Special Program Requirement Request (DYA, DYB, DYL, DYM)	C44-1
APPENDIX C45	Special Program Requirement Cancellation.....,(DYC)	C45-1
APPENDIX C46	Special Program Requirement Modifier.....(DYD)	C46-1
APPENDIX C47	Special Program Requirement Substitute Item Acceptance (DYG)	C47-1
APPENDIX C48	Special Program Requirement Substitute Item Rejection...(DYH)	C48-1
APPENDIX C49	Special Program Requirement Followup.....(DYJ)	C49-1
APPENDIX C50	Special Program Requirement Status.....(DYK)	C50-1

CH 5
DoD 4000.25-2-M

		<u>PAGE</u>
APPENDIX C51	Status Notification Transaction..... (DZ9)	C51-1
APPENDIX C52	Asset Status.....(DZA)	C52-2
APPENDIX C53	Storage Item Data Correction/Change.....(DZB)	C53-3
APPENDIX C54	Logistical Reassignment Storage Information.....(DZC)	C54-1
APPENDIX C55	Logistical Reassignment Storage Information Reply.....(DZD)	C55-1
APPENDIX C56	Asset Status/Transaction Reporting Request.....(DZE)	C56-1
APPENDIX C57	Asset Status Reporting (Base, Post, Camp, and Station Level Use).....(DZF)	C57-1
APPENDIX C58	Transaction Reject.....(DZG)	C58-1
APPENDIX C59	Location Reconciliation Request.....(DZH)	C59-1
APPENDIX C60	<i>Transaction History Request</i>(DZJ)	C60-1
APPENDIX C61	Transaction History Transmittal.....(DZK)	C61-1
APPENDIX C62	<i>Inventory Prioritization Information</i>(DZL)	C62-1
APPENDIX C63	<i>Location Reconciliation Notification</i>(DZN)	C63-1
APPENDIX C64	<i>Location Reconciliation History Notification</i>(DZP)	C64-1
APPENDIX C65	<i>End of Day Transaction Count</i>(DZM)	C65-1

APPENDIX C2

MATERIEL RECEIPT - OTHER THAN PROCUREMENT INSTRUMENT SOURCE

<u>FIELD LEGEND</u>	<u>RECORD POSITION(S)</u>	<u>ENTRY AND INSTRUCTIONS</u>
Document Identifier	1-3	Enter appropriate DI code from the D6 series.
Routing Identifier (TO)	4-6	<i>Enter (or perpetuate) the code of the ICP to which this transaction is being forwarded.</i>
Blank	7	Leave blank.
Stock of Part Number	8-22	Enter stock or part number of item received.
Unit of Issue	23-24	Enter UI of item.
Quantity (Received)	25-29	Enter quantity received, preceding significant digits with zeros. ^{1/2}
Document Number	30-43	Enter controlling document number.
Suffix	44	Enter consecutive alpha codes A through Z when assignment of suffix codes are necessary. ³
Supplementary Address	45-50	Enter (or perpetuate) SUPADD; otherwise, leave blank.
Signal	51	Enter (or perpetuate) signal code; otherwise, leave blank.

¹See Appendix C - Formats Introduction, Paragraph 3.a.

²See Appendix C - Formats Introduction, Paragraph 3.b.

³See Appendix C - Formats Introduction, Paragraph 3.c.

CH 5
DoD 4000.25-2-M

<u>FIELD LEGEND</u>	<u>RECORD POSITION(S)</u>	<u>ENTRY AND INSTRUCTIONS</u>
Fund	52-53	Enter (or perpetuate) fund code; otherwise, leave blank.
Distribution	54-56	Enter (or perpetuate) distribution code; otherwise, leave blank.
Project	57-59	Enter (or perpetuate) project code; otherwise, leave blank.
Multi-Use	60-66	For intra-Service/Agency use, enter data prescribed by Service/Agency. For inter-Service/Agency use, leave blank.
Routing Identifier (Receiving Location)	67-69	Enter (or perpetuate) RI code (Receiving identifying activity at which item is Location) received, if available; otherwise, leave blank.
Ownership/Purpose	70	Enter ownership/purpose code.
Supply Condition	71	Enter supply condition code of item received.
Management	72	Enter management code; otherwise leave blank.
Day of Year	73-75	<i>Enter ordinal day of the calendar year that materiel was released by carrier.</i>
Multi-Use	76-80	For intra-Service/Agency use, enter data prescribed by Service/Agency. For inter-Service/Agency use, leave blank.

APPENDIX C4

ADJUSTMENT - INCREASE OR DECREASE

<u>FIELD LEGEND</u>	<u>RECORD POSITION(S)</u>	<u>ENTRY AND INSTRUCTIONS</u>
Document Identifier	1-3	Enter appropriate DI code from the D8 or D9 series except D8E, D8F, D8S, D9E, D9F, and D9S.
Routing Identifier (TO)	4-6	Enter RI code of the activity to which this transaction is being forwarded.
<i>Type of Physical Inventory/Transaction History</i>	<i>7</i>	<i>Enter the appropriate type of physical inventory/transaction history code.</i>
Stock of Part Number	8-22	Enter stock or part number of item being adjusted.
Unit of Issue	23-24	Enter UI of item.
Quantity	25-29	Enter quantity issued, preceding significant digits with zeros. ^{1/2}
Document Number	30-43	For reclassification of previously suspended returns, enter document number under which materiel was received; otherwise, enter appropriate document number.
Suffix	44	Enter consecutive alpha codes A through Z when assignment of suffix codes is necessary. ³

¹See Appendix C - Formats Introduction, Paragraph 3.a.

²See Appendix C - Formats Introduction, Paragraph 3.b.

³See Appendix C - Formats Introduction, Paragraph 3.c.

CH 5
DoD 4000.25-2-M

<u>FIELD LEGEND</u>	<u>RECORD POSITION(S)</u>	<u>ENTRY AND INSTRUCTIONS</u>
Multi-Use	45-51	For intra-Service/Agency use, enter data prescribed by Service/Agency. For inter-Service/Agency use, leave blank.
Fund	52-53	Enter appropriate code for intra-Service/Agency use. For inter-Service/Agency use, leave blank.
Distribution	54-56	Enter appropriate distribution code if stocks are segregated and maintained by codes reflected in the distribution field; otherwise, leave blank.
Project	57-59	Enter appropriate project code if stocks are segregated and maintained by code reflected in the project field; otherwise, leave blank.
Multi-Use	60-62	For intra-Service/Agency use, enter data prescribed by Service/Agency. For inter-Service/Agency use, leave blank.
Dual Use	63-65	
Error Classification	(63-64)	For DI Codes D8A and D9A, enter appropriate DoD assigned error classification code from appendix B18, otherwise, leave blank.
	(65)	For DI Codes D8A and D9A, enter Service/Agency assigned code amplifying the DoD error classification code; otherwise, leave blank.
or		
Multi-Use	(63-65)	For intra-Service/Agency use with DI codes other than D8A/D9A, enter data prescribed by Service/Agency. For inter-Service/Agency use except for DI Codes D8A/D9A, leave blank.

<u>FIELD LEGEND</u>	<u>RECORD POSITION(S)</u>	<u>ENTRY AND INSTRUCTIONS</u>
Multi-Use	66	For intra-Service/Agency use, enter data prescribed by Service/Agency. For inter-Service/Agency use, leave blank.
Routing Identifier (Storage Activity)	67-69	Enter RI code of the storage activity at which item is stored.
Ownership/Purpose	70	Enter appropriate ownership/purpose code, if applicable.
Supply Condition	71	Enter supply condition code of inventory balance being affected.
Management	72	Enter appropriate management code; otherwise, leave blank.
Day of Year	73-75	Enter the ordinal day of the calendar year on which the adjustment is processed by the initiating activity.
Multi-Use	76-80	For intra-Service/Agency use, enter data prescribed by Service/Agency. For inter-Service/Agency use, leave blank.

APPENDIX C16

PHYSICAL INVENTORY REQUEST

<u>FIELD LEGEND</u>	<u>RECORD POSITION(S)</u>	<u>ENTRY AND INSTRUCTIONS</u>
Document Identifier	1-3	Enter DI Code DJA.
Routing Identifier (TO)	4-6	Enter RI code of the activity to which this transaction is being forwarded.
Type of Physical Inventory/Transaction History	7	Enter appropriate type of inventory/transaction history code.
Stock or Part Number	8-22	Enter stock or part number of item to be counted.
Unit of Issue	23-24	Enter UI of item.
Blank	25-34	Leave blank.
Date (Physical Inventory Infloat Control)	35-38	Enter the ordinal date established for initiating controls on all in-process transactions and materials which could effect the outcome of the inventory. This date must precede the physical inventory cutoff date entered in record positions 61-64 by at least 5 days.
Blank	39-43	Leave blank.
Multi-Use	44-46	For inter-Service/Agency use, when agree by the Components involved, enter the lot/segment number for controlling the inventory; otherwise, leave blank. For intra-Service/Agency use, enter the data prescribed by the Service/Agency.
Blank	47-53	Leave blank.
Distribution	54-56	Enter distribution code if stocks are segregated and maintained by codes reflected in the distribution field; otherwise, leave blank.
Project	57-59	Enter project code if stocks are segregated and maintained by codes reflected in the project field; otherwise, leave blank.

CH 5
DoD 4000.25-2-M

<u>FIELD LEGEND</u>	<u>RECORD POSITION(S)</u>	<u>ENTRY AND INSTRUCTIONS</u>
Blank	60	Leave blank.
Blank	61-64	Leave blank.
Multi-Use	65-66	For intra-Service/Agency transactions, enter the data prescribed by the Service/Agency. For inter-Service/Agency use, leave blank.
Routing Identifier (FROM)	67-69	Enter RI code of the activity from which this transaction is being forwarded.
Ownership/Purpose	70	Enter the ownership/purpose code if stocks are segregated and maintained by codes reflected in the ownership/purpose field; otherwise, leave blank.
Supply Condition	71	Enter the applicable supply condition code of the item to be counted when Type of Physical Inventory/Transaction History Code L, N, and P is entered in record position 7; otherwise, leave blank.
Management	72	Enter management code; otherwise, leave blank.
Blank	73-75	Leave blank.
Dual-Use	76-80	
Multi-Use	(76-80)	For intra-Service/Agency use, enter data prescribed by the Service/Agency. For inter-Service/Agency use, leave blank.
Subsistence Pack Type of	(79)	For Subsistence Items Only: Enter the applicable subsistence type of pack code (see MILSTRIP (reference (h), appendix B23).
Blank	(80)	For Subsistence Items Only: Leave blank.

APPENDIX C26A

MATERIEL RECEIPT ACKNOWLEDGMENT

FIELD LEGEND	RECORD POSITION(S)	ENTRY AND INSTRUCTIONS
	DD FORM 1486 BLOCK	
Document Identifier	1-3 BLOCK C	Enter DI Code DRA when submitting materiel receipt acknowledgment.
		Enter DI Code DRB when submitting a delinquent MRA in reply to followup. ¹
Routing Identifier (TO)	4-6 BLOCK D	Enter the RI code of activity to receive this transaction. ²

¹ In reply to followup, when no record of the basic requisition document number exists, duplicate record positions 8-24 and record positions 30-51 from the DI Code DRF Followup.

²Duplicate from the following in listed order of preference: record positions 4-6 of the DI Code DRF, MRA followup or DI Code AS_ Shipment Status; record positions 67-69 of the DD Form 1348-1 or DI Code AE_ Supply Status; record positions 4-6 of the original requisition. For intra-Service/Agency followup requirements, enter code prescribed as the Service or Agency.

FIELD LEGEND	RECORD POSITION(S) DD FORM 1486 BLOCK	ENTRY AND INSTRUCTIONS
Multi-Use	7 BLOCK E	
Mode of Shipment or Service Use		For security assistance shipments, enter the applicable mode of shipment, if available; otherwise, leave blank. For U.S. forces shipments, enter data prescribed by the Service or Agency (e.g., code for controlling receipt of partial or split quantities).
Stock or Part Number	8-22 BLOCK F	Enter stock number or part number of the item received. ³ For total or partial nonreceipt, duplicate form due-in record.
Unit of Issue	23-24 BLOCK G	Enter UI of the item received. For total or partial nonreceipt, duplicate from due-in record.
Quantity	25-29 BLOCK H	Enter total quantity received for the document number and suffix code entered in record positions 30-44. For total or partial nonreceipt, reenter the missing quantity and enter Discrepancy Indicator Code F in record position 63. ⁴

³ If the stock number/part number of the item received cannot be fully entered in record positions 8-22, leave blank. If item received exceeds stock number field and is wrong item or cannot be identified leave record positions 8-22 blank and enter Discrepancy Indicator Code A in record position 63.

⁴ See Appendix C - Formats Introduction, paragraph 3.a.

FIELD LEGEND	RECORD POSITION(S) DD FORM 1486 BLOCK	ENTRY AND INSTRUCTIONS
Document Number	30-43 BLOCK I	Duplicate from receipt document. For total or partial nonreceipt, duplicate form due-in record.
Suffix	44 BLOCK J	Enter suffix code, if any, from receipt documentation. For total or partial nonreceipt or missing documentation, duplicate from due-in record.
Supplementary Address	45-50 BLOCK K	Duplicate from receipt document. For total or partial nonreceipt, duplicate from due-in record.
Signal	51 BLOCK M	Duplicate from receipt document. For total or partial nonreceipt, duplicate form due-in record.
Blank	52-53	Leave blank.
Routing Identifier (TO)	54-56 BLOCK N	When prescribed by Service or Agency, enter applicable RI code for: ⁵
		a. Activity requiring MRA in addition to activity indicated in record positions 4-6.
		b. MCA requiring MRA in addition to ICP (for GFM shipments to contractors).
Project	57-59 BLOCK O	Duplicate from receipt document. For total or partial nonreceipt, duplicate form due-in record.

⁵ DAAS will edit and provide an MRA to the activity identified by a valid RI code in record position 54-56.

FIELD LEGEND	RECORD POSITION(S) DD FORM 1486 BLOCK	ENTRY AND INSTRUCTIONS
Day of Year (Posted to Record/Shipped)	60-62 BLOCK P (Spaces 1-3)	Enter ordinal day of calendar year as follows: a. For U.S. forces, enter day receipt was posted to stock record/property account or equivalent. If record position 63 is F, enter day this transaction is prepared. b. For security assistance shipments, when mode is entered in record position 7 enter the day shipped; otherwise, enter day this transaction is prepared.
Discrepancy Indicator	63 BLOCK P (space 4)	Enter code from appendix B20, when applicable; otherwise, leave blank.
Blank	64-66	Leave blank.
Service Use	67-69 BLOCK Q	Enter data prescribed by the Service or Agency.
Blank	70-72	Leave blank.
Service Use	73-80 BLOCKS V-W	Enter data prescribed by the Service or Agency.

APPENDIX C26B

FOLLOWUP FOR DELINQUENT MATERIEL RECEIPT ACKNOWLEDGMENT

FIELD LEGEND	RECORD POSITION(S)	ENTRY AND INSTRUCTIONS
Document Identifier	1-3	Enter DI Code DRF.
Routing Identifier (From)	4-6	Enter RI code of activity preparing the transaction. ¹
Media and Status	7	Duplicate form the MRC (DI Code AR_) or DI Code ASH Shipment Status. ²
Stock or Part Number	8-22	Duplicate form the MRC or DI Code ASH Shipment Status. (See footnote 2.)
Unit of Issue	23-24	Duplicate form the MRC or DI Code ASH Shipment Status. (See footnote 2.)
Quantity	25-29	Enter quantity of the shipment which has not been acknowledged or reported as not received. ³
Document Number	30-43	Duplicate from the MRC or DI Code ASH Shipment Status.
Suffix	44	Duplicate from the MRC or DI Code ASH Shipment Status. (See footnote 2.)

¹ For Intra-Service/Agency followup requirements, enter code prescribed by the Service or Agency.

²See MILSTRIP (reference (h)) for transaction format.

³See Appendix C - Formats Introduction, paragraph 3.a.

CH 5
DoD 4000.25-2-M

FIELD LEGEND	RECORD POSITION(S)	ENTRY AND INSTRUCTIONS
Supplementary Address	45-50	Duplicate from the MRC or DI Code ASH Shipment Status.
Signal	51	Duplicate the original or modified requisition entry. (See footnote 2 on previous page.)
Blank	52-53	Leave blank.
Distribution Code	54-56	Duplicate the requisition entry.
Day of Year (Date Shipped)	57-59	Duplicate form the MRC or DI Code ASH Shipment Status. (See footnote 2 on previous page.)
Shipment Unit Number	60-76 ⁴	Leave blank.
Mode of Shipment	77	Duplicate from the MRC or DI Code ASH Shipment Status. (See footnote 4.)
Day of Year (Transaction)	78-80	Enter ordinal day of the calendar year this transaction is prepared.

⁴Based on November 1, 1993 implementation of MILSTRIP AMCL 138; otherwise, priority is entered in record positions 60-61.

APPENDIX C57

ASSET STATUS REPORTING (BASE, POST, CAMP, AND STATION LEVEL USE)

<u>FIELD LEGEND</u>	<u>RECORD POSITION(S)</u>	<u>ENTRY AND INSTRUCTIONS</u>
Document Identifier	1-3	Enter DI Code DZF.
Routing Identifier (TO)	4-6	Enter the RI code of the activity to which this transaction is being forwarded.
Reporting	7	Enter code from appendix B10 which indicates type of reporting being accomplished.
Stock or Part Number	8-22	Enter the stock or part number of item reported.
Unit of Issue	23-24	Enter the UI of item.
Multi-Use	25-30	For intra-Service/Agency use, enter data prescribed by the Service or Agency. For inter-Service/Agency use, leave blank.
Routing Identifier (FROM)	31-33	<i>When rp 7 = N, enter RI code of the owning activity to which any resulting MILSTRIP DI Code A4_ Lateral Redistribution Orders are to be sent, otherwise enter RI code of the activity preparing this transaction ("FROM" RI Code).</i>
Routing Identifier (Storage Activity)	34-36	Enter the code of storage activity at which item is stored, if different from record positions 31-33; otherwise, leave blank.
Date	37-40	Enter last digit of the calendar year and ordinal day of the calendar year which reflects assets as of close of business.

<u>FIELD LEGEND</u>	<u>RECORD POSITION(S)</u>	<u>ENTRY AND INSTRUCTIONS</u>
Quantity (Requisitioning Objective)	41-46	<i>When rp 7 = N, enter total system RO for RI code in rp 31-33; if multiple transactions with the same rp 31-33 RI code are generated for the same NSN, each will reflect the same RO.¹ If rp 7 does not equal N, enter requisitioning objective quantity established for item being reported, preceding significant digits with zeros; if quantity exceeds 999,999, enter overflow quantity in next transaction. Leave field blank in ensuing transactions when overflow quantity is not involved.</i>
Quantity (Due-In)	47-52	Enter quantity of the item due-in, preceding significant digits with zeros. If quantity exceeds 999,999, enter overflow quantity in next transaction. Leave field blank in ensuing transactions when overflow quantity not involved. <i>When rp 7 = N, this field may be left blank.</i>
Multi-Use	53-54	For intra-Service/Agency use, enter data prescribed by the Service/Agency. For inter-Service/Agency use, leave blank.
Supply Condition	55	Enter supply condition code of quantity on hand reported in record positions 56-61.

¹ ***For Air Force Secondary Inventory Control Activities (SICAs) which own their Services' wholesale and retail assets, only DI Code DZFs with the same RI code in rps 31-33 for the same NSN, and 01 entry in rps 79-80 will contain the same SICA total system RO. DI Code DZFs with the SICA RI code in rp 31-33 without a 01 entry in rps 79-80 will contain the RO for the RI code in rps 34-36.***

<u>FIELD LEGEND</u>	<u>RECORD POSITION(S)</u>	<u>ENTRY AND INSTRUCTIONS</u>
Quantity (On Hand)	56-61	<i>When rp 7 = N, enter the quantity on-hand for the activity at which the materiel is stored, i.e., the quantity on-hand for the RI code in rps 31-33 (if no RI code is present in rps 34-36) or the quantity on-hand for the RI code in rps 34-36 if both RI codes are present.² If rp 7 does not equal N, enter quantity on hand preceding significant digits with zeros. (Does not include reserved quantity entered in record positions 71-76.) If quantity exceeds 999,999, enter overflow quantity in next transaction. Leave field blank in ensuing transactions when overflow quantity not involved.</i>
Multi-Use	62-63	For intra-Service/Agency use, enter data prescribed by the Service/Agency. For inter-Service/Agency use, leave blank.
Supply Condition	64	Enter supply condition code of quantity on hand reported in record positions 65-70.

² *For all Service Secondary Inventory Control Activities (less Air Force): If both rps 31-33 and rps 34-36 contain RI codes, then the recipient must add the on-hand quantity on all the DI Code DZF transactions, for the reported NSN, that have the same RI code in rps 31-33. This aggregate on-hand quantity is then compared to the system RO in rps 41-46 when making MILSTRIP Lateral Redistribution Order decisions using DoD Total Asset Visibility business rules.*

For Air Force Secondary Inventory Control Activities: Both rps 31-33 and rps 34-36 will contain RI codes. The recipient must add the quantity on-hand on all DZF transactions containing a "01" in rps 79-80, for the reported NSN, that have the same RI code in rps 31-33. This aggregate on-hand quantity is then compared to the system RO contained in rp 41-46 when making Lateral Redistribution Order decisions using DoD Total Asset Visibility business rules.

For DZFs with only one RI code (rps 31-33) and for Air Force Secondary Inventory Control Activity DZFs with two RI Codes and "blanks" in rps 79-80, the on-hand quantity and RO in the individual DZF are compared when making Lateral Redistribution Order decisions using DoD Total Asset Visibility business rules.

<u>FIELD LEGEND</u>	<u>RECORD POSITION(S)</u>	<u>ENTRY AND INSTRUCTIONS</u>
Quantity (On Hand)	65-70	Enter quantity on hand, preceding significant digits with zeros. (Does not include reserved quantity entered in record positions 71-76). If quantity exceeds 999,999, enter overflow quantity in next transaction. Leave field blank in ensuing transactions when overflow quantity not involved.
Quantity (Reserved)	71-76	Enter quantity reserved for special projects/programs, preceding significant digits with zeros. If quantity exceeds 999,999, enter overflow quantity in next transaction. Leave field blank in ensuing transactions when overflow quantity not involved.
Blank	77-78	Leave blank.
Number of Transactions	79-80	Enter total number of transactions being submitted for item identified in record positions 8-22 (precede significant digit with zero, when applicable). <i>Exception: when rp 7 = N, leave blank for all Service SICAs except Air Force; for Air Force SICAs, enter a SICA wholesale/retail indicator as follows: 01 for SICA wholesale Blank for SICA retail</i>

APPENDIX C59

LOCATION RECONCILIATION REQUEST

<u>FIELD LEGEND</u>	<u>RECORD POSITION(S)</u>	<u>ENTRY AND INSTRUCTIONS</u>
Document Identifier	1-3	Enter DI Code DZH.
Routing Identifier	4-6	Enter RI code of the ICP to which this transaction is being forwarded.
<i>Type of Location Reconciliation Request</i>	<i>7</i>	<i>Enter type of location reconciliation request code which indicates the type of reporting being accomplished.</i>
Stock or Part Number	8-22	Enter stock or part number of item being requested for reconciliation.
Unit of Issue	23-24	Enter UI of item.
Quantity	25-34	Enter quantity, preceding significant digits with zeros [<i>Text deleted</i>].
Multi-Use	35	For intra-Service/Agency use, enter the data prescribed by the Service/ Agency. For inter-Service/Agency use, leave blank.
Date Cutoff	36-39	Enter mutually agreed upon cutoff date (last digit of the calendar year and ordinal day of the calendar year; e.g., 6253 is 10 Sep 86) for location reconciliation.
Shelf-Life	40	Enter shelf-life code of the item.
Controlled Inventory Item	41	Enter controlled inventory item code applicable to the item.
Manager/Owner	42	Enter numeric 1 if activity in record Identifier positions 4-6 is the IMM or numeric 2 if the activity is an owner but not the IMM. ¹

¹See note page C59-1.

CH 5
DoD 4000.25-2-M

<u>FIELD LEGEND</u>	<u>RECORD POSITION(S)</u>	<u>ENTRY AND INSTRUCTIONS</u>
Blank	43	Leave blank.
Transaction Lot/Number	44-46	Enter the lot/segment number of the Segment transactions being reconciled; otherwise, leave blank.
Blank	47-59	Leave blank.
Consecutive Transaction Number	60-66	Enter consecutive number beginning with 0000001 in the first transaction to identify each transaction in the reconciliation.
Routing Identifier (FROM)	67-69	Enter RI code of the storage activity preparing the transaction.
Ownership/Purpose	70	Enter ownership or purpose code if assets are segregated physically or on the storage activity record; otherwise leave blank. ²
Supply Condition	71	Enter supply condition code of item being reconciled.
Inventory Category	72	Enter inventory category code, if prescribed by Service/Agency managing the item; otherwise, leave blank.
Blank	73-75	Leave blank.
Dual-Use	76-80	
Multi-Use	(76-80)	For intra-Service/Agency use, enter data prescribed by the Service/Agency. For inter-Service/ Agency use, leave blank.
Subsistence Type of Pack	(79)	<u>For Subsistence Items Only:</u> Enter subsistence type of pack code (see MILSTRIP (reference (h)) appendix B) for the item.
Blank	(80)	<u>For Subsistence Items Only:</u> Leave blank.

APPENDIX C60

TRANSACTION HISTORY REQUEST¹

<u>FIELD LEGEND</u>	<u>RECORD POSITION(S)</u>	<u>ENTRY AND INSTRUCTIONS</u>
Document Identifier	1-3	Enter DI Code DZJ.
Routing Identifier (TO)	4-6	Enter RI code of the storage activity to which the request is being forwarded.
Type of Physical Inventory/Transaction History	7	Enter the applicable type of physical inventory/transaction history code.
Stock or Part Number	8-22	Enter stock or part number of the item for the history/balance being requested.
Unit of Issue	23-24	Enter UI of item.
Transaction History Timeframe	25-31	Enter data specifying the period timeframe for which transaction history is being requested. [Text deleted.]
	(25-28)	Enter transaction history start date.
	(29-31)	Enter the total number of prior days transaction history required.
Blank	32-53	Leave blank.
Distribution	54-56	Enter distribution code if stocks are segregated and maintained by codes reflected in distribution field; otherwise, leave blank.

¹May be used intra-Service/Agency or inter-Service/Agency when agreed to by the Components involved.

CH 5
DoD 4000.25-2-M

<u>FIELD LEGEND</u>	<u>RECORD POSITION(S)</u>	<u>ENTRY AND INSTRUCTIONS</u>
Lot/Segment Number	57-59	Enter the lot/segment number for controlling the inventory/reconciliation; otherwise, leave blank.
Type of Media	60	Enter the code which identifies the transaction history transmission media (see appendix B17); otherwise, leave blank.
<i>Blank</i>	<i>61-64</i>	<i>Leave blank.</i>
Blank	65-66	Leave blank.
Routing Identifier (FROM)	67-69	Enter RI code of the activity from which the request is being forwarded.
Ownership/Purpose	70	Enter applicable ownership/purpose code for the history/balance requested; otherwise, leave blank.
Supply Condition	71	Enter applicable supply condition code for the history/balance requested; otherwise, leave blank.
Blank	72	Leave blank.
Transaction Date	73-76	Enter the ordinal date on which the transaction is prepared.
Blank	77-80	Leave blank.

APPENDIX C61

TRANSACTION HISTORY TRANSMITTAL¹

<u>FIELD LEGEND</u>	<u>RECORD POSITION(S)</u>	<u>ENTRY AND INSTRUCTIONS</u>
Document Identifier	1-3	Enter DI Code DZK.
Routing Identifier (TO)	4-6	Enter RI code of the activity to which the transaction is being forwarded.
Type of Physical Inventory/Transaction History	7	Perpetuate from the DI Code DZJ <i>Transaction History Request</i> ; otherwise, enter code W for automatic submission of transaction history.
Other Fields	8-29	Perpetuate from source document. ²
Document Number	30-43	<i>When record position 7 of the DI Code DZJ request is W and the storage activity has no transactions for the stock or part number requested for the dates specified in record positions 25-31, but transactions are available since the date of last location reconciliation, 8-fill this field; when no transactions are available for the dates specified or since the date of last reconciliation, 9-fill this field. When record position 7 is X and the storage activity has no transactions for the dates specified, 9-fill this field; otherwise, perpetuate from the source document.</i>

¹May be used intra-Service/Agency or inter-Service/Agency when agreed to by the Components involved.

²All references to the source document relate to the document on the storage activity transaction history file; e.g., A5_, D4_, D6_, etc.

Ch 5
DoD 4000.25-2-M

<u>FIELD LEGEND</u>	<u>RECORD POSITION(S)</u>	<u>ENTRY AND INSTRUCTIONS</u>
Other Fields	44-50	Perpetuate from source document.
Blank	51	Leave blank.
Fund	52-53	Perpetuate from source document.
Source Document Identifier	54-56	Enter DI code from record positions 1-3 of the source document.
Lot/Segment Number	57-59	Enter the lot/segment number for controlling the inventory/reconciliation; otherwise, leave blank.
Contract Shipment Number	60-66	Perpetuate from source document.
Routing Identifier (FROM)	67-69	Enter RI code of the activity from which the transaction is being forwarded.
Other Fields	70	Perpetuate from source document.
Supply Condition	71	<i>When record positions 30-43 of the DI Code DZK are 8- or 9-filled, enter the applicable supply condition code; otherwise perpetuate from the source document.</i>
Other fields	72	Perpetuate from the source document.
Ordinal Date	73-76	Enter the date on which the source document was entered on the storage activity record.
Blank	77-80	Leave blank.

APPENDIX C62

INVENTORY PRIORITIZATION INFORMATION¹

<u>FIELD LEGEND</u>	<u>RECORD POSITION(S)</u>	<u>ENTRY AND INSTRUCTIONS</u>
<i>Document Identifier</i>	1-3	<i>Enter DI Code DZL.</i>
<i>Routing Identifier (TO)</i>	4-6	<i>Enter RI code identifying the depot to which the transaction is being forwarded.</i>
<i>Blank</i>	7	<i>Leave blank.</i>
<i>National Stock Number</i>	8-22	<i>Enter the NSN for which information is being provided, or only the Federal Supply Classification (FSC) if the information applies to all items in the FSC, or leave blank if the information is default values. Values will not be provided for more than 15 FSCs.</i>
<i>Procurement Lead Time</i>	23-26	<i>Enter the PLT, expressed in months, for the NSN, FSC, or the default value. Owners may use Order Ship Time.</i>
<i>Months To Procurement (MTP)</i>	27-29	<i>Enter the MTP, expressed in months, for the NSN, or the default value. Owners may use months until next order.</i>
<i>Essentiality Code</i>	30-32	<i>Enter the essentiality code (or USAF Mission Item essentiality code or USMC Combat Essentiality-Criticality Code) applicable to the NSN.</i>
<i>Weighting Factor 1 (W₁)</i>	33-35	<i>Enter the value of the weighting factor applicable to the Annual Demand Frequency (ADF) for the NSN, FSC, or default. Not to exceed 100.</i>

¹**NOTE: This function is being evaluated by the Joint Physical Inventory Working Group for proposed revision, and has not been implemented in the Distribution Standard System**

<u>FIELD LEGEND</u>	<u>RECORD POSITION(S)</u>	<u>ENTRY AND INSTRUCTIONS</u>
<i>Weighting Factor 2 (W_2)</i>	36-38	<i>Enter the value of the weighting factor applicable to the Annual Demand Quantity (ADQ) for the NSN, FSC, or default. Not to exceed 100.</i>
<i>Weighting Factor 3 (W_3)</i>	39-41	<i>Enter the value of the weighting factor applicable to the Annual Demand Dollar Value (ANDOL) for the NSN, FSC, or default. Not to exceed 100.</i>
<i>Weighting Factor 4 (W_4)</i>	42-44	<i>Value of the weighting factor applicable to the essentiality code Value (ECV) for the NSN, FSC, or default. Not to exceed 100.</i>
<i>Weighting Factor 5 (W_5)</i>	45-47	<i>Value of the weighting factor applicable to the PLT for the NSN, FSC, or default. Not to exceed 100.</i>
<i>Weighting Factor 6 (W_6)</i>	48-50	<i>Enter the value of the weighting factor applicable to the MTP for the NSN, FSC, or default. Not to exceed 100.</i>
<i>Blank</i>	51-61	<i>Leave blank.</i>
<i>Date</i>	62-66	<i>Enter the date prepared.</i>
<i>Routing Identifier (FROM)</i>	67-69	<i>Enter RI code identifying the owner preparing the transaction.</i>
<i>Blank</i>	70-80	<i>Leave blank.</i>

APPENDIX C63

LOCATION RECONCILIATION NOTIFICATION

<u>FIELD LEGEND</u>	<u>RECORD POSITION(S)</u>	<u>ENTRY AND INSTRUCTIONS</u>
<i>Document Identifier</i>	<i>1-3</i>	<i>Enter DI Code DZN.</i>
<i>Routing Identifier (TO)</i>	<i>4-6</i>	<i>Enter RI code identifying the owner/ manager to which the transaction is being forwarded.</i>
<i>Type of Location Reconciliation Request</i>	<i>7</i>	<i>Enter code from Appendix B31 identifying Type of Location Reconciliation Request.</i>
<i>Number of DI Code DZH Transactions to be Transmitted</i>	<i>8-14</i>	<i>Actual number of DI Code DZH requests to be transmitted, e.g., 0000151.</i>
<i>Cutoff Date</i>	<i>15-18</i>	<i>Enter the date for location reconciliation. The last digit of the calendar is entered in record position 15 and the day of the year is entered in record positions 16-18; e.g., 4032 is Feb 1, 1994.</i>
<i>Routing Identifier (FROM)</i>	<i>19-21</i>	<i>Enter RI code identifying the storage activity preparing the transaction.</i>
<i>Type of Media Code</i>	<i>22</i>	<i>Enter code from Appendix B17 identifying medium used to transmit the transactions.</i>
<i>Blank</i>	<i>23-80</i>	<i>Leave blank.</i>

APPENDIX C64

LOCATION RECONCILIATION HISTORY NOTIFICATION

<u>FIELD LEGEND</u>	<u>RECORD POSITION(S)</u>	<u>ENTRY AND INSTRUCTIONS</u>
<i>Document Identifier</i>	1-3	<i>Enter DI Code DZP.</i>
<i>Routing Identifier (TO)</i>	4-6	<i>Enter the RI code identifying the owner/manager to which the transaction is being forwarded.</i>
<i>Type of Location Reconciliation Request</i>	7	<i>Enter code from Appendix B31 identifying Type of Location Reconciliation Request.</i>
<i>Number of DI Code DZK Transactions to be Transmitted</i>	8-14	<i>Actual number of DI Code DZK requests to be transmitted, e.g., 0000151.</i>
<i>Cutoff Date</i>	15-18	<i>Enter the date for location reconciliation. The last digit of the calendar is entered in record position 15 and the day of the year is entered in record positions 16-18; e.g., 4032 is Feb 1, 1994.</i>
<i>Routing Identifier (FROM)</i>	19-21	<i>Enter the RI code identifying the storage activity preparing the transaction.</i>
<i>Type of Media Code</i>	22	<i>Enter code from Appendix B17 identifying medium used to transmit the transactions.</i>
<i>Blank</i>	23-80	<i>Leave blank.</i>

APPENDIX C65

END OF DAY ACCOUNTABLE TRANSACTION COUNT

<u>FIELD LEGEND</u>	<u>RECORD POSITION(S)</u>	<u>ENTRY AND INSTRUCTIONS</u>
<i>Document Identifier</i>	<i>1-3</i>	<i>Enter DI Code DZM.</i>
<i>Routing Identifier (TO)</i>	<i>4-6</i>	<i>Enter RI code identifying the owner/manager to which the transaction is being forwarded.</i>
<i>Type of Accountable Transaction Count</i>	<i>7</i>	<i>Enter 1 to identify the number of transactions included in this transmission.</i> <i><u>or</u></i> <i>Enter 2 to identify the individual balance affecting transaction.</i>
<i>Blank</i>	<i>8-27</i>	<i>Leave blank.</i>
<i>Accountable Transaction DI Code</i>	<i>28-29</i>	<i>Enter the first two positions of the balance affecting transactions (D4, D6, D7, D8, D9, DA, DZ). Leave blank if record position 7 is equal to 1.</i>
<i>Accountable Transaction Count</i>	<i>30</i>	<i>Enter the number of transactions included in this transmission. Leave blank if record position 7 is equal to 2.</i>
<i>Blank</i>	<i>31-37</i>	<i>Leave blank.</i>
<i>Number of Balance Affecting Transactions</i>	<i>38-43</i>	<i>Enter the daily volume of balance affecting transactions applicable to the reported DI code in record position 28-29. Leave blank if record position is equal to 1.</i>
<i>Blank</i>	<i>44-66</i>	<i>Leave blank.</i>
<i>Routing Identifier (FROM)</i>	<i>67-69</i>	<i>Enter the RI code identifying the storage activity preparing the transaction.</i>
<i>Transaction Date</i>	<i>70-73</i>	<i>Enter the ordinal day on which the transaction took place.</i>
<i>Blank</i>	<i>74-80</i>	<i>Leave blank.</i>

APPENDIX D
TIME LIMITS

<i>INDEX</i>		<i>PAGE</i>
<i>APPENDIX D1</i>	<i>Materiel Receipt - Acknowledgment Time Limits.....</i>	<i>D1-1</i>

APPENDIX D1

MATERIEL RECEIPT ACKNOWLEDGMENT TIME LIMITS

1. Time Limits for Reporting Activities:¹

<u>ACTION</u>	<u>TIME LIMIT</u>
U.S. Forces Send MRA	* 5 calendar days from date materiel received. And, ° 30 calendar days from the DI Code AS_ date shipped field entry (CONUS destination) for nonreceipt; or ° 90 calendar days from the DI Code AS_ date shipped field entry (overseas destination) for nonreceipt.
ILCOs Send MRA	* 120 calendar days from the DI Code ASH date shipped field entry for security assistance shipments.
Send MRA in Reply to ICP Followup	* 15 calendar days from transaction day in DI Code DRF followup.

- * Means take the action before the time limit is reached.**
° Means take the action when the time limit is reached.

¹ **These requirements and timeframes are independent from prescribed shipment tracing and discrepancy/deficiency reporting requirements and timeframes to which the receiving facility must also adhere.**

2. Time Limits for ICPs/DRMS:

<u>ACTION</u>	<u>TIME LIMIT</u>
<i>Follow up for Delinquent MRA</i>	<i>* 45 calendar days from date shipped field entry in the MRC or DI Code ASH Shipment Status for U.S. Forces shipments (CONUS destination).</i> <i>° 105 calendar days from the date shipped field entry in the MRC or DI Code ASH Shipment Status for U.S. Forces shipments (Overseas destination).</i> <i>° 135 calendar days from the date shipped field entry in the code ASH Shipment Status for security assistance shipments.</i>

**** Means take the action before the time limit is reached.***

° Means take the action when the time limit is reached.